

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, May 11, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SPEAKER: I have the honor to introduce this afternoon a distinguished colleague from British Columbia, the Hon. Edward Smith, Speaker of the British Columbia Legislature, accompanied by Mr. Ian Horne, the Clerk of our sister Legislature in British Columbia.

With them — I think perhaps by coincidence — is a group of interns from the British Columbia Legislature's legislative intern program, accompanied by their administrator. In the best tradition of impartiality, they're in the Speaker's gallery today; they'll be in the members gallery tomorrow, and in the public gallery the day after.

I would ask our visitors from British Columbia to rise and receive the welcome of the Assembly.

DR. BUCK: Mr. Speaker, it's an honor and a privilege for me to introduce to you and to members of this Assembly two prominent Albertans seated in your gallery, Mr. and Mrs. Floyd Baker. Mr. Baker has made an outstanding contribution to our province, serving as the MLA for Clover Bar continuously for 32 years, from 1935 to 1967. Both Mr. and Mrs. Baker have been remarkable citizens, actively involved in the community over many years. Floyd and Mrs. Baker will celebrate their sixtieth wedding anniversary on May 31 this year. I would like them to rise and receive the traditional welcome of this Assembly.

head: PRESENTING PETITIONS

MR. NOTLEY: Mr. Speaker, I rise to present a petition dated May 8, 1977, by 35 petitioners from Highlands United Church, going on record as calling upon the government of Alberta to withdraw Bill 29.

head: TABLING RETURNS AND REPORTS

MR. DOWLING: Mr. Speaker, I would like to file with the Legislature Library two copies of the document entitled Canadian Delegation of Alberta Manufacturers to the U.S.S.R. 1977. The document lists the people who are going. It is translated into Russian, as well as [being] in English. It gives you a little highlight of what the companies do that are represented on the trip.

MR. CRAWFORD: Mr. Speaker, I would like to table the reply to Question 114.

head: INTRODUCTION OF SPECIAL GUESTS

MR. YOUNG: Mr. Speaker, it's my pleasure today to introduce to you, and through you to the members of the Legislature, some 95 grade 9 students from Britannia Junior High School, who are visiting us today with their teachers Mr. Bilassy and Mrs. Wilks. I would ask them to rise and be recognized by the members of the Assembly.

MR. FARRAN: Mr. Speaker, I have pleasure in introducing to you, and through you to the House, 37 grade 9 students from Branton Junior High School on Calgary's north hill. They are accompanied by their teachers Mrs. Valerie Scholefield and Mr. Harold McBain. They are seated in the public gallery. I ask them now to rise and be recognized by the House.

head: ORAL QUESTION PERIOD**Public Utilities Board Hearings**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Attorney General, in his capacity as minister responsible for the Public Utilities Board. The question deals with the interventions filed before the Public Utilities Board on the AGT rate increase hearings in Calgary. It flows from the comments he made in the House on March 2, when the question was put to the Attorney General with regard to the Consumers' Association of Canada withdrawing their participation in the intervention there. The minister indicated that other mechanisms would be in place that would ensure a reasonable level of interventions is continued. Remembering that this comment was made on March 2, what facilities are now in place so that an organization such as the Consumers' Association can in fact take part as an intervener when the AGT rate increase hearings resume?

MR. FOSTER: Mr. Speaker, that matter received some discussion with my colleague to my left and representatives of the Consumers' Association. We explored a number of possibilities at the time as to how a consumer group might participate in the role of intervener — since we see that as in the public interest — and at the same time recognize the board's jurisdiction to award costs and assess the role of the intervener.

In the course of our discussion with the consumer group, we invited them to consider how the government might best approach this. Frankly, we weren't fussy about unconditional grants to the individual group. [We] suggested there might perhaps be an appropriate screening mechanism involving both the government and representatives of outside entities that might pass on whether a particular intervention had merit, and whether the government might assist them, subject to the recommendation of this screening group.

The Consumers' Association has given that some thought. I personally am not aware whether they have responded to my office. Perhaps they have, but it hasn't come to my attention. Perhaps my colleague the Minister of Consumer and Corporate Affairs can answer that.

I intend to meet with the Public Utilities Board,

maybe later this month or early in June, to discuss a number of matters including the question of the role of interveners and their costs, and will carry this matter forward at that time.

I'm taking a rather long time, Mr. Speaker, but I want to assure the House that it's a difficult problem and under discussion with various organizations. The comments or observations of members of the House would be appreciated.

MR. CLARK: A supplementary question to the Attorney General. Can the Attorney General assure the Assembly that some mechanism will be in place to allow reasonable interveners to participate in the AGT rate increase hearings?

MR. FOSTER: Mr. Speaker, I'm not aware of any impediment between reasonable interveners and the Public Utilities Board that would prevent them from intervening. I think the point you're getting at is, you want to know whether the government will guarantee the financing of all or some interveners. My quick answer to that is, no, the government would not be prepared — subject to some checking — to fund every intervener who wants to intervene before the Public Utilities Board.

But clearly the government would be prepared to consider assisting the intervention of some groups. Now the definition of these groups, the contribution they might make, and the level of funding that might take place should probably be more properly spoken to by my colleague the Minister of Consumer and Corporate Affairs.

As I say, I am not aware that we have received a response from the Consumers' Association on the proposal or on the suggestion we made to them. I understand they have chosen to withdraw from this matter. Maybe they have come back with some suggestion or proposal. I am simply not aware of it at this time.

MR. CLARK: Mr. Speaker, I would like to ask a further supplementary question of the Attorney General. I raise it as part of this question of interveners and their financial capability to take part in the hearings. Was the Attorney General made aware that Green, Michaels & Associates, who really now are the only interveners continuing to carry the ball when the hearings get back on the road, have been advised by legal counsel for Alberta Government Telephones that Alberta Government Telephones is considering legal action against them?

MR. FOSTER: Mr. Speaker, it's not unusual for people to advise me that they intend to sue someone else. When they do I take that as notice, not that I have any particular role in the matter. If AGT intends to sue someone or someone intends to sue AGT, so be it.

MR. CLARK: Even if it's the result of a Public Utilities Board hearing?

MR. FOSTER: But if it involves the jurisdiction of the Public Utilities Board or some issue involving the Public Utilities Board, I again emphasize that the Public Utilities Board is a highly independent, quasi-judicial body. While I have some administrative and budgetary responsibility for them in this House, they

are not obliged to take the legal advice of the Attorney General or the Crown, and have the resources to obtain their own legal advice and to pursue whatever remedies at law they feel they may be entitled to advance.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Utilities and Telephones. When did the minister approve the action being indicated by AGT that in fact they now have under active consideration, taking Green, Michaels & Associates to court as a result of their activities at the Public Utilities Board hearing on the AGT rate increase?

DR. WARRACK: Mr. Speaker, I'm pleased to have a chance to comment on that matter. During briefing on the ongoing progress, or the degree thereof, of Alberta Government Telephones' rate application before the Public Utilities Board, I was advised among other things relating to that application that that particular action had been taken by Alberta Government Telephones as a result of the advice of their legal counsel.

I want it to be clear to the Legislature, and this may not be clear to the hon. Leader of the Opposition, that the matter he raises is not with respect to whether or not Green, Michaels or anyone else may wish to intervene on any rate hearing for AGT, or anyone else for that matter, but relates to remarks made by that organization and, as I understand it, its legal counsel about AGT as a corporation and the people therein, which is a rather different matter from implying in any sense that there is any lessening of the right of any intervener to intervene as they see fit on any rate application before the Public Utilities Board.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Utilities and Telephones. When did the minister give his approval to Alberta Government Telephones to go ahead and serve notice upon Green, Michaels that they plan to proceed with legal action?

DR. WARRACK: Mr. Speaker, I guess I wasn't clear on that point. That action was taken by Alberta Government Telephones on the basis of legal advice from their counsel, not me. Insofar as my involvement is concerned, it was not a matter for me to approve or disapprove but was taken by AGT as a management matter on the basis of their legal advice supplied by legal counsel.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is the hon. Member for Three Hills still the minister responsible for AGT?

DR. WARRACK: Yes, and I intend to continue to be so.

MR. CLARK: Mr. Speaker, then a supplementary question to the Member for Calgary Bow in his capacity as the MLA on the AGT commission. Did the Member for Calgary Bow approve the . . .

MR. SPEAKER: Order please. The hon. leader will have to speak a little louder. I understand the hon. Member for Calgary Bow is in Montreal.

MR. CLARK: Mr. Speaker, under the circumstances that might be the safest place for him to be today.

I'll redirect the question to the minister, Mr. Speaker. Did the minister seek the direction of the AGT commission prior to AGT legally moving in this direction?

DR. WARRACK: No, Mr. Speaker. I indicated that the action was taken by Alberta Government Telephones as a corporation on the basis of its legal advice, which is neither the hon. Member for Calgary Bow nor me. My approval was not sought, nor do I think there was any reason for it to have been sought. If the action is undertaken — and I understand there's not a threat that it will be, but such action may be considered — then the courts will decide.

MR. TAYLOR: A supplementary to either the Attorney General or the Minister of Consumer and Corporate Affairs. Has the government considered setting out in a brochure the conditions under which the government would pay or subsidize interveners before the Public Utilities Board, including the approximate amounts, so people would know where they stand before starting an intervention?

MR. HARLE: Mr. Speaker, the answer to that question is somewhat involved because of the fact that there is an existing government policy with regard to electric power rate hearings before the PUB. That policy was to make non-interest-bearing loans available, and in fact the CAC and others took advantage of that program. That program did not apply to Alberta Government Telephones hearings before the PUB.

There have been a number of meetings involving me and several other ministers responsible for various aspects of PUB hearings. It has certainly been my indication — not only to the CAC but also to the Union of Rural Electrification Associations and some of the representatives of municipalities who attended — that the government is basically in favor of the principle of proper representation before the PUB in rate hearing matters, but that it was not the government's intention to write a blank cheque or, in other words, to provide and cover all shortfalls these organizations might suffer as a result of appearing before the PUB and their awarded costs not being made complete against the utilities involved. My colleague the Attorney General covered and alluded to that aspect of the matter.

MR. NOTLEY: A supplementary question to either the hon. Attorney General or the hon. Minister Consumer and Corporate Affairs. In light of the Attorney General's answer and the answer given a moment ago by the Minister of Consumer and Corporate Affairs, has the government set any time frame for determining the limits of its policy, particularly with respect to interveners before the PUB hearings on AGT's case when it resumes?

MR. HARLE: No, Mr. Speaker, there is no time limit. However, as soon as the legislature session ends, it is my intention to contact the CAC and follow up on their request, and perhaps try to work out a solution to the problem. I might say it is my understanding that the CAC have appealed the ruling of the PUB to the courts, and of course the solution might be solved in that way.

MR. SPEAKER: A final supplementary by the hon. Member for Calgary Glenmore, and if there's time we can come back to this topic.

MR. PLANCHE: Supplementary to the Attorney General. In that Green, Michaels is soliciting funds from the public to assist in their intervention, I wonder if the Attorney General is going to make it mandatory that the contributors to funds for intervention be listed at the hearings.

MR. CLARK: We should hope not.

MR. FOSTER: Mr. Speaker, I doubt that I have the jurisdiction or the authority to do that.

MR. CLARK: We hope you never will.

Postsecondary Fees

MR. CLARK: Mr. Speaker, my second question is to the Minister of Advanced Education and Manpower. Will the two-tier fee structure be a permanent feature in postsecondary educational institutions in Alberta, or is it on an experimental basis?

DR. HOHOL: It's not on an experimental basis, Mr. Speaker. It was never intended to be. It was never discussed in that way. It's going to be a permanent feature of the partial costs of students who attend postsecondary education in Alberta.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is the minister giving any consideration to exempting students from Commonwealth countries from a portion of the two-tier extra charge?

DR. HOHOL: That path has been crossed, Mr. Speaker. We did consider it, and made the determination that we have.

MR. CLARK: Mr. Speaker, in light of this recent determination, is the minister in a position to indicate to the Assembly what the total financial gain will be to the province of Alberta as a result of the implementation of the two-tier system?

DR. HOHOL: Of course, Mr. Speaker, that can only be ascertained in the years to come by the judgment of foreign students in their choice and selection of universities across this nation and elsewhere, and from financial statements of the universities. It's not something we can ascertain at the present time.

MR. CLARK: Mr. Speaker, then a supplementary question to the minister. Mr. Minister, has the department done estimates as to what the additional revenue will be? What's the result of those estimates, in a ballpark figure?

DR. HOHOL: As you can appreciate, Mr. Speaker, any estimates we have would be from the figures presented to us by the colleges, universities, and other institutions in postsecondary education.

MR. CLARK: Mr. Speaker, then perhaps one last question to the minister. Can the minister indicate when his committee to look at postsecondary educa-

tion, which he alluded to in the estimates, will be established? Can the minister give assurance to the Assembly that there will be student representation on that committee when it's established?

DR. HOHOL: With intent, I had stayed away from any consideration of the make-up of the committee or its specific frame of reference until such time as all the institutions had agreed to a two-tier system. I received a letter that now concludes the list of post-secondary institutions in Alberta. I would not want to be explicit about the membership at this time, but it seems reasonable to me that it would be a wide-ranging group that would include students.

MR. CLARK: Mr. Speaker, the other portion of the question to the minister was: what time frame is the minister looking at for establishing the committee? Hopefully 1977?

DR. HOHOL: Yes, hopefully. I repeat again, Mr. Speaker, that I made it very clear in the Assembly, and to all the institutions which would wish to have the committee put in place sooner, that there would have been confusion in the minds of the public and the institutions if we were to go into a committee to study the costs of education — one of which would be the cost of foreign tuition fees — if we did not make a final conclusion and disposition of foreign fees. I have been steadfast in that position. I received the last letter only yesterday, and will now begin to put that committee in place. But for the record, it's important to recall that that has been my position throughout the debate on the foreign tuition fee issue.

MR. CLARK: When are you going to do it?

Consultant's Contract

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Hospitals and Medical Care. I would like to ask the minister about his actions before entering the contract with Rune Associates Ltd. I was wondering if the minister checked the legality of the contract against Section 43 of The Financial Administration Act, which requires that services be rendered before rather than after payment is made.

MR. MINIELY: Mr. Speaker, the question was checked with the Provincial Auditor and was very straightforward in the Legislature as well as in the government financial administration. As the hon. Member for Little Bow knows, these matters are cleared by the Provincial Auditor before any payment is made. I instructed my office to definitely do so. So I don't know what the import of the question is.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Did the minister have the contract checked after changes were made in pencil on the contract?

MR. MINIELY: Well, Mr. Speaker, no changes in pencil would be other than an interim contract. All copies of the contract have been tabled and filed with the Provincial Auditor and with Treasury. So if the hon. Member for Little Bow has anything in his

possession that to this point I haven't seen, I would suggest he put it in writing or put it on the Order Paper if he has any further questions regarding it. Those matters were all filed with the Provincial Auditor.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Provincial Treasurer. The Minister of Hospitals and Medical Care really hasn't indicated that this person is going to do anything, so I don't know how we can even pay him. But as there seems to be a question in my mind about the legality of the contract, has the Provincial Treasurer assured himself of its legality? If not, would the Provincial Treasurer recheck this matter with the Provincial Auditor?

MR. LEITCH: Mr. Speaker, I have not had any occasion to consider the matter before because it has not been brought to my attention by the Provincial Auditor's office or by the department. Now that the question has been raised by the hon. member, I will look into it.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Provincial Treasurer. Would the Provincial Treasurer specifically check on Sections 8, 7, and 6 of the contract where payment was to be made prior to rather than after service being performed and check that against The Financial Administration Act?

MR. LEITCH: I will, Mr. Speaker.

Water Wells

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of the Environment. Has the minister received any reports of blasting by geophysical crews causing shortages in some water wells?

MR. RUSSELL: I don't believe I have, Mr. Speaker. If the hon. member has some example in mind I would be glad to check it out for him. But I can't recall any having come to the office.

MR. MANDEVILLE: A supplementary question to the minister then, Mr. Speaker. Could the minister indicate whether there will be any changes in the regulations as far as the geographical industry is concerned to prevent the blasting of water wells in consideration of the drought this year?

MR. RUSSELL: Mr. Speaker, that's one of those kinds of items that would be very carefully looked at in the overall program announced by the hon. Deputy Premier insofar as emergency and extra water usage for the coming summer months is concerned.

Consumer Warranties

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Consumer and Corporate Affairs. In light of the very widespread variation in the fine print of warranties associated with consumer products, can the minister advise whether the government is considering legislation to provide a statutory warranty in respect to consumer purchases?

MR. HARLE: Mr. Speaker, I think the whole subject of warranties will become a very important issue in the months and years ahead. At the moment the only formal contact on this subject is some meetings which have occurred and will be occurring later this month between consumer affairs ministers of the provinces and the federal minister, his deputies, and a meeting of ministers later on in the summer. More than likely the topic of warranties will be discussed.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Has the government or the minister had an opportunity to review Bill 65 introduced on March 11 in the Saskatchewan Legislature which deals with this question of warranties, setting out statutory warranties?

MR. HARLE: Mr. Speaker, of course the bill that was introduced, and the white paper put forward in Saskatchewan, is one aspect of it. There are also of course the proposals in Ontario. As I say, because of the nature of the topic of warranties, it is bound to be discussed by federal and provincial ministers of consumer affairs.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. What specific reviews have been commissioned by the department with respect to the adequacy or otherwise of remedies as they now exist under the law for consumers who are stuck with unsatisfactory goods and by reason of some loophole are excluded from warranty? My question, Mr. Speaker, is: what kind of review, if any, is taking place with respect to this sort of problem?

MR. HARLE: Well, Mr. Speaker, as I indicated, it's a topic that is receiving a great deal of attention by several governments across Canada. Our review of course relates to existing legislation and the review of our own files on warranty problems, and no doubt will become much more evident as we get to the stage of having the meeting of federal and provincial ministers.

Business Policy

DR. BUCK: My question is to the Minister of Business Development and Tourism. Mr. Speaker, I would like to ask the minister if he can explain the function of the cabinet committee formed to ensure that Alberta businesses get their share of Alberta business.

MR. DOWLING: Yes, Mr. Speaker, most assuredly. As the hon. member knows, we established an industrial development permit system some two and a half years ago. We feel that it's working very effectively, but we want to be assured in our own minds that we're doing everything we can to provide opportunities for Alberta entrepreneurs, Alberta labor, and an opportunity for Alberta content in the way of materials, to be a part of every major construction operation in the province. Very simply that's what we're after: to determine that our policies are correct and that we are doing everything we can.

DR. BUCK: Mr. Speaker, a supplementary to the minister. Is it the intention of the committee to recom-

mend standardization of purchasing policies within government departments and agencies?

MR. DOWLING: Mr. Speaker, there could be various recommendations from our committee. We had our first meeting, as the hon. member knows from a press report yesterday. Any number of recommendations could come forward. At our first meeting we requested the four members of the committee to do certain things, to gather certain basic materials, in order that we might further examine the situation. I'm not prepared to predetermine or presuppose what recommendations will come forward, if any, but we are going to examine the matter in detail in hopes that something can come of our meeting.

DR. BUCK: Mr. Speaker, can the minister indicate if this report will be made public and, if so, when it will be made available?

MR. DOWLING: I wouldn't say a formal document would ever be developed. What we are doing is having meetings in the normal sense of the word. I would suggest, though, that we will be reporting our findings to cabinet. It may not go beyond that point. But if the four of us can contribute something valuable to advancing our policy position on Alberta content, most assuredly it will be worked into the policy situations of our government to the benefit of all entrepreneurs.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Mr. Minister, is the formation of this committee an indication that Alberta businesses do not get preference? Is the reason it has been set up that Alberta businessmen do not get their fair share of business?

MR. DOWLING: Mr. Speaker, most assuredly not. Surely the hon. member is capable of reading reports that come in the press from time to time, in that 79 per cent of the content in the Syncrude operation by way of labor is now Alberta content. Of the actual dollar value of the Dow project at Fort Saskatchewan, 45.5 per cent is Albertan; another 45.5 per cent is Canadian; and 9 per cent comes from out of Canada.

So I'm saying that there is substantial satisfaction among the entrepreneurs of Alberta. In all the things we do we suggest that the Alberta entrepreneur be given an opportunity to sharpen his pencil and compete. All things being equal, the Alberta entrepreneur will be given preference.

Red Deer River

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of the Environment. Is it the intention of the minister to make a decision this summer on the matter of a dam on the Red Deer River?

MR. RUSSELL: Mr. Speaker, we hope to reach and make public a decision on the regulation of the flow of the Red Deer River. Whether it will be a dam or a series of dams, I don't know yet.

House Building Costs

DR. PAPROSKI: Mr. Speaker, a question to the Minis-

ter of Housing and Public Works regarding the now famous \$44 per square foot house plus lot built by the Alberta Department of Housing. Would the minister indicate to the Legislative Assembly whether the department has now adjusted these figures in view of added representation by the housing industry to the department or to the minister?

MR. YURKO: Absolutely not, Mr. Speaker. In fact we had a meeting with the Edmonton house builders association, and they were very prone to learn in being educated. I should indicate that as to total cost all the housing financed by the Alberta Home Mortgage Corporation under the SHOP and direct lending program is limited to below \$46,000, and \$42,000 for SHOP. This housing all comes within the area of \$44 per square foot and less. Literally thousands of housing units have been built under these two programs. Furthermore it's encouraging to see that the industry is now using the \$44 figure in terms of its advertising.

DR. PAPROSKI: A supplementary. Would the minister indicate whether the department will continue to monitor the costs of housing over the next year or two and make such costs public in order to keep the public informed?

MR. YURKO: Mr. Speaker, the process of monitoring is ongoing within the Department of Housing and Public Works. As I indicated earlier, staff has been set up — the housing registry within the Department of Housing and Public Works — and a fairly substantive library has also been established. Monitoring of house prices and a lot of other data is an ongoing process within the department.

MR. YOUNG: A supplementary, Mr. Speaker. At the meeting of the Edmonton house builders association which the minister mentioned, did individual house builders make representations to the minister concerning the difficulty of finding available lots for building purposes?

MR. YURKO: Mr. Speaker, the members at the meeting were of varied background. Quite a few of them had an MLA background. Others had a building background. There were some small builders and some large builders. There were some larger builders who had a fairly substantial land bank, and their point of view may have been somewhat different from those who had no land bank at all. But the small builders who have no land bank, and are at the mercy of the larger land bank holders, indicated the difficulty they have in terms of getting reasonably priced lots for building a reasonably priced home.

Film Industry

MR. CLARK: Mr. Speaker, my question is to the Minister of Government Services also responsible for Culture. It deals with the government's ongoing study on the question of the film industry in Alberta. At what stage is the interdepartmental committee work, and when can we expect a final report from this committee on recommendations as far as a film industry is concerned?

MR. SCHMID: Mr. Speaker, this study is being financed by the Department of Business Development and Tourism, and I would like to have the hon. minister answer this question.

MR. DOWLING: Mr. Speaker, we did intend to have a press release on the matter. I think it is now being considered that we should take that route so all members would be apprized of what we are doing. Recruitment is being undertaken of four or five experts in the field to do a fairly substantial study on the potential for developing a major film industry in Alberta. Some of the people we recruited have expressed some dissatisfaction that the government was not doing enough by way of stimulating the industry, but you should know that six major films were produced in Alberta last year. About \$4.5 million was actually spent in Alberta to produce those films. Most of them came from outside.

That study is proceeding. I am not in a position at the moment to indicate how long it will take or whether they've actually got off the ground, but the people we recruited are quality individuals from the film industry of Alberta.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the minister's statement of the individuals being quality individuals, could the minister indicate to the House who these quality individuals are who are doing the study, and what kind of time frame the minister has given the committee?

MR. DOWLING: I wouldn't want to strangle any group such as these quality individuals by limiting their time to do a very substantial job, so I wouldn't be prepared to say when the study would be completed. I will, however, be prepared to provide the names of the individuals in the House tomorrow.

MR. CLARK: Mr. Speaker, what kind of budget is the minister's committee working on?

MR. DOWLING: Mr. Speaker, that was also part of the news release we propose to get out. We will have that information tomorrow as well.

MR. CLARK: Mr. Speaker, while the minister is drafting the news release, can he give thought to the idea of making the report public?

MR. DOWLING: If a news release goes out, Mr. Speaker, it is obviously public.

MR. CLARK: Mr. Minister, sorry to confuse you. It's the report we want public. We assume the news release from your department would be public.

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

MR. DOWLING: Mr. Speaker, of course we do everything we can to provide the opposition . . .

MR. CLARK: Ho, ho.

MR. DOWLING: . . . with every bit of research material we acquire, bearing in mind that they now have

considerable funds of their own, which I suggest they might consider using.

DR. BUCK: It's taxpayers' money, Dowling.

MR. CLARK: A supplementary to the minister. Is the minister in a backhanded way telling the Assembly the report will not be made public?

MR. DOWLING: The hon. Leader of the Opposition can think what he wishes. I didn't say that, Mr. Speaker.

MR. CLARK: You didn't say anything. That's the problem.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would clarify the point regarding the films produced in Alberta. How many were produced by producers from Alberta?

MR. DOWLING: If I recall correctly — and I do have details that I could provide tomorrow as well — I believe two major ones were produced by Alberta entrepreneurs. I will follow that up tomorrow.

Water Well Drilling Fund

MR. MANDEVILLE: Mr. Speaker, my question is again to the hon. Minister of the Environment. Are regulations available on the \$1.2 million water well program the Deputy Premier announced last week, as to when the grant will be available and where they apply for assistance?

MR. RUSSELL: Mr. Speaker, the \$1.2 million is to cover the drilling of up to 300 deep wells, if necessary. We've done an assessment of municipal water problems throughout the province. Some can be helped by pumping, some by trucking, and others will require emergency deep well drilling. It is in those instances where Alberta Environment would arrange to have private contractors carry out the drilling work.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Can applications only be made by municipal governments, and where do they make the applications for assistance?

MR. RUSSELL: I'm assuming that any municipality with a domestic water problem would contact the department directly. That's what some of them have already done. As hon. members are aware, emergency pumping has already been completed for some municipalities, and additional equipment has been purchased. The program is ongoing. So if a municipality wants assistance from the department, they should apply directly to the department.

MR. MILLER: Supplementary, Mr. Speaker, to the minister. Will the cost of the wells be borne solely by the provincial government, or will it be on a shared-cost basis with the municipalities?

MR. RUSSELL: Mr. Speaker, that's a difficult question to answer because two other sources of cost sharing are available, one from the federal government and one from the municipalities. The instructions that

have gone to the department have been to deal quickly with any emergency situation on the basis that the province will fund it. We don't think the red tape and bureaucracy the federal government has placed before us is suitable for an emergency situation. We do hope to gain federal participation in this program, but will not hold the program up by waiting for it.

Northern Pipeline

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Premier. Yesterday in the question period the premier mentioned the pipeline treaty between Canada and the United States, which prohibits either nation charging a tariff on the other's pipelines. Is the Premier in a position to advise the House if the government of Alberta has determined whether the pipeline treaty will preclude either the province or municipalities taxing a northern gas pipeline on that portion that crosses Alberta?

MR. LOUGHEED: Mr. Speaker, that's an important matter and one I'd prefer to defer until the fall session of the Legislature.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Is the government at this point in time giving any consideration to conditions that the government of Alberta would set before authorizing any right of way for such a pipeline across the province of Alberta, and is a process of review now taking place on that very question of setting out conditions?

MR. LOUGHEED: Mr. Speaker, with regard to the first portion of the hon. member's question, my first answer would apply. With regard to the second portion of the hon. member's question, the answer is yes.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Has the government given any consideration to determining what conditions Alberta would set out [for] the employment of both native and non-native Albertans, as one of the conditions we would set for pipeline right of way across the province?

MR. LOUGHEED: Mr. Speaker, having regard to the circumstances in the country at the moment and to the comments made by the Prime Minister today, I would consider the question premature and would deal with it in the fall session.

Mental Patients' Records

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Social Services and Community Health, and it concerns mental health information files. Is it the intention to alter the regulations so as to require the consent of a patient before mental health records are open to non-medical personnel?

MISS HUNLEY: I'm under the impression we already have that in place, Mr. Speaker. Our regulations are the same as the Alberta Hospital's. We recently amended them to match those in The Alberta Hospitals Act.

MR. TAYLOR: Supplementary. Is the patient's consent always required now before opening the files to non-medical personnel?

MISS HUNLEY: I'm not sure I clearly understand the portent of the hon. member's question. I believe those are the regulations presently in effect. Now, if you're talking about "non-medical" you may be thinking of a psychologist rather than a psychiatrist. If you're talking about it in that medical content, I would need to check that further.

Design Specification Fees

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Housing and Public Works. It flows from a question I asked two days ago in the House with regard to design specification fees and what regulations are in place to prevent fees being passed between designers and competing suppliers.

MR. YURKO: Mr. Speaker, I said I would bring an answer to the Assembly at the appropriate time. I've checked this matter with the deputy minister in regard to Housing, and he's provided me an answer. I've also checked it with the Alberta Housing Corporation and have an answer. I have yet to receive an answer, though I know it's in the works, from the Public Works side. I expect to have that very shortly, and will therefore report to the House in an appropriate manner.

Film Industry (continued)

MR. DOWLING: Mr. Speaker, I would like to report on a question asked by the Leader of the Opposition. We have four members on the committee: Mr. W. Breese, the chairman, is an economist and business consultant; Mr. W.D. Marsden is president of the Alberta Motion Picture [Industries] Association; Mr. Fil Fraser is a broadcaster and film producer; and Mr. Brian McIntosh is a theatre owner and film exhibitor. The cost of the study is \$50,000. It could be completed by the end of this year.

ORDERS OF THE DAY

MR. SPEAKER: There's a point of order which I should perhaps bring to the attention of the Assembly. I wouldn't ordinarily deal with it in the Assembly, but it has happened once or twice previously. The petition which was presented today is addressed to the government of Alberta rather than to the Legislative Assembly. I would assume, therefore, that it may not be received.

HON. MEMBERS: Agreed.

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 40 The Agricultural and Recreational Land Ownership Act

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill 40, The Agricultural and Recreational Land Ownership Act. I suggest that two key features or elements of this bill commend it to the Assembly for consideration at this time. First, I suggest that the bill is timely, in the spring of 1977 in this Legislature, bearing in mind the most recent statistics and the attractiveness of land in this province at this time. Secondly, this bill is balanced in its approach, in that it achieves its goals in an equitable way, without being punitive with respect to foreign investment, which we wish to encourage. I'll get on to that in just a moment, Mr. Speaker.

First, as we all know, Alberta has approximately 160 million acres of land. About 50 million acres are privately owned. I would think that perhaps 2 million to 5 million acres are in the category of prime agricultural or recreational land. I think most members would agree, Mr. Speaker, that that land is perhaps our most precious asset, particularly when we realize it is a renewable resource. True, the economy of Alberta and our standard of living, today and in the last 20 years, have resulted very directly from revenues from our non-renewable resources. But surely the long-term future of this province must rely to a very great degree on the renewable resource of agricultural land. And, as has been said for some years, there's a fixed quantity of land; they're no longer making it.

Mr. Speaker, I suggest it's also a fact that Alberta is rapidly becoming a magnet in the world in terms of the attraction of its land. I venture to say, Mr. Speaker, that Alberta is one of perhaps two or three places in the world where land is viewed as highly desirable as a long-term investment, primarily because of the stability of this province, and also because of its excellent long-term prospects.

We all know petrodollars in the hundreds of millions — indeed in the billions — are available in the world, many of which may wish to seek out world investment in land as a hedge against inflation. If that did occur . . . and, Mr. Speaker, we know how quickly that can be done. We have the previous example of the subdivision of Mill Woods in Edmonton where almost overnight, in order to avoid speculation and in order to acquire lands at a low price, large quantities of land were acquired by the government of Alberta with the city of Edmonton. People woke up one morning and found this huge tract of land there. So we know how quickly it can happen.

Unless something is done, Mr. Speaker, we could conceivably wake up one morning and find scores of townships taken out of circulation, denied to our young people — particularly those who wish to go into agriculture in the future — barred from use by those Albertans who wish to take advantage of the recreational outdoors. This would perhaps represent an irrevocable loss to this province and to future generations, and would really be risking the permanent loss of part of our heritage.

Mr. Speaker, I suggested the bill was timely. I think

now is the time to act. We may be near the danger point if no action is taken. It's true that the Land Use Forum indicated in their report that only 2 per cent of the farmlands of Alberta had been acquired by non-Canadians over the course of the previous 70 years. However, the pace is increasing.

The Agriculture Department indicated in September 1976 that about 2.5 per cent of 3.1 million rural acres were purchased by non-Canadians. The most recent statistics I have been able to secure from that department are very instructive. They compare the six-month period from the end of June '75 to the end of December '75 against the six-month period June 30, 1976 to December '76. Comparing those two six-month periods, the rate of purchase of land by foreigners is up 29 per cent. In the first period, the last six months of '75, approximately 39,000 acres were purchased by non-Canadians. One year later, in the last six months of 1976, 50,000 acres were purchased by non-Canadians. That's an increase of 29 per cent. While the absolute figures are small in comparison to the total private lands in Alberta, the rate of increase is perhaps alarming.

Of course, if these purchases are being carried on in the areas of prime agricultural land — where the best soils are, where the best recreational potential is — then I suggest it's time to move. We can't close the barn door after the horse has gone, or in this case after the land has gone.

As I mentioned also, Mr. Speaker, I think the bill is timely. It is balanced as well, because while on the one hand non-Canadians are controlled and prohibited from the widespread purchase of land, there is on the other hand no discrimination against Canadians in other provinces. That discrimination does exist with respect to legislation in Prince Edward Island, and to a lesser degree with regard to farmlands in Saskatchewan. By reason of the change in federal legislation, we have decided not to go in that way. There is no discrimination against other Canadians in other provinces. Neither is there any discrimination in this legislation against landed immigrants, people who come to Canada and make a commitment to stay in this land.

It's also balanced because while on the one hand there is a wide ranging approach in the legislation with regard to its application, there is an exemption mechanism. That is for the very proper reason, I suggest, that those aspects of foreign investment which will relate to jobs for our young people — better jobs, manufacturing plants, development, proper investment — are not scared off and prevented from coming into this province. I think all of us realize the very significant benefits and impact that that kind of investment has made in this province for at least 35 years.

It is balanced also in that while generally all non-Crown land is referred to as being covered in the bill, the cities, towns, and villages of this province are not covered. I think to put cities and towns under this bill would have the very real effect of stripping from those municipalities all local autonomy, or a very large amount of it, with respect to local development and zoning. We as a government do not wish to proceed in that way. This is a bill relating to farm and recreational land, just as the two bills introduced by members of the opposition related strictly to farm and recreational land, and not to cities or towns. There-

fore I hope it will get support from the Assembly.

The bill does not relate to pieces of land under 20 acres. I think that is a reasonable exception. It does, of course, exclude mines and minerals because there would be very, very serious ramifications if those were included.

So the timing is right and, in my view, the bill is balanced, Mr. Speaker. I should point out some things the bill does not do. It is not an anti-speculation bill. It is not an anti-foreign-investment scheme, and it is not a development-control scheme. I think it is as important to know what the bill does not do as what it does do.

This bill is unique with regard to its legislative base, because the federal government, as members know, has jurisdiction over aliens. By the recent amendment to the Canadian Citizenship Act, the powers of the federal government are delegated. That's Section 30 of that federal bill.

Mr. Speaker, there has been a good deal of woolly thinking as to the interpretation of this act and the regulatory powers in it. I think a number of observers and people who have commented have forgotten that the federal government did not delegate this power to the provincial legislatures. The power was delegated only to the lieutenant governors in council, to the cabinets of the various provinces. And, as members know, any purported delegation to a legislature can be struck down as being unlawful, if the legislature goes too far. I say quite frankly that we as a government had originally looked for a comprehensive bill in this Assembly setting forth in effect what is in the draft regulations, which we tabled when the bill was given first reading. However, because we would in effect be passing an act which would be open to immediate legal challenge, unavoidably there has to be significant regulation-making power in the cabinet, or else the bill in this Assembly would be worthless. That's the reason it proceeds in that way.

Members also know that in the federal act there are powers of penalty: a fine of \$10,000 and the option of up to a year in jail. The federal bill comes into effect with respect to each of the provinces on proclamation. To date Alberta is the only province which is using the benefit of that power [in] Section 33.

A few other smaller points, Mr. Speaker. I hope the draft regulations which I tabled upon introduction of the bill will be debated fully in committee. I would like at that time to receive positive suggestions from all members as to the general parameters of the areas where there should be exemptions. I think that would be very helpful for these regulations, which will be considered over the summer. I want legislative input, and we will then suggest them for fall passage.

I might mention for the benefit of one particular member in the Assembly that although cities and towns are referred to in the bill, hamlets are not. It is our intention to pass an order in council exempting Sherwood Park, as the largest hamlet in the western world, from the application of the act. Exemptions that will be considered and decided on, as they must legally necessarily be by the cabinet, will be made public, because these will be orders in council, and available within 48 hours of their passage.

In conclusion, Mr. Speaker, I'd just like to say I hope members understand the balancing of public

interests involved in this bill. It should be said that this bill will restrict somewhat the right of a vendor to be guaranteed that all purchases are in the market place. A person selling land may not get quite as much for that land because all the purchasers are not competing. But in the government's judgment it is a balanced piece of legislation which does the job of protecting our precious agricultural and recreational lands without turning off desired outside investment. I suggest it's necessary and appropriate at this time, and urge the Legislature to pass the bill.

MR. MANDEVILLE: Mr. Speaker, in making a few remarks on second reading of Bill 40, I certainly think we all approve of what this bill is doing. I think it's something we just about have to have.

However, we're getting more and more of this type of legislation, which certainly concerns me. It's legislation that interferes with individuals. However, in this case, as I said when we had rent controls and our anti-inflation legislation came in, we have to have some type of control in these areas. I was hopeful that some time ago we could have come up with regulations that would have helped control foreign investment in this province as far as agricultural land is concerned. I think possibly we could have handled our foreign investors by regulation instead of by legislation.

However, as I say, we're certainly going to support the bill as it's presented to the House. It does concern me, and it concerns many others. As the minister indicated, our agricultural land is very precious. After all, we're not getting any more agricultural land, and there are more and more people in the world all the time. What's happening is urban sprawl and industrial development. We're taking more and more land out of agricultural production all the time. We certainly have to realize that this land is precious.

I do hope we don't run into a situation like they have in Saskatchewan. In Saskatchewan the land can trade only within the province. It does make it awkward for some of the landholders in Saskatchewan to be able to move their land. Some of our older people who want to get out of the agricultural industry pretty well have their hands tied. Also we have a land freeze in British Columbia. I think it has worked out to be fairly beneficial. It has tied up the sale of agricultural land in that particular province.

I have to say that our land has certainly got out of the market place as far as productive value is concerned. Our value on our land today is not productive value. It is certainly market value. For our young people to get into farming today, it's very tough with the high input they've got with their equipment and the high interest on this high-priced land they buy. They certainly can't pay for it over the short period of time they get these loans. There is just no way. But now they are basing this land price on foreign purchases and so on. It is based on present prices of produce as well. That is what we have to look at. We have to look at our land prices for productive value on a long-term basis.

As I said, I don't think we can contribute all escalating land prices to foreign investors. I think in the past few years we've had good crops. We've had fairly high prices for our cereal grain crops. And of course a lot of mortgage money has been available through farm credit, the Agricultural Development Corpora-

tion, and conventional mortgage lending areas. Mortgage money has been available, which has certainly helped to escalate the price of land in the province of Alberta.

Many foreigners are coming here. They're coming here as speculators. I certainly disagree with this. However, I think some investors who are coming here and becoming landed immigrants are to be commended. One example I would just like to indicate to you, Mr. Speaker, is the V Bar V, which traded hands just recently. The minister indicated that at one time 39,000 acres were [purchased] by foreign investors; at another time 50,000 acres in the province were purchased by foreign investors. However, this one particular land sale — the V Bar V, the Clear Lake ranch, and the Pincher Creek ranches — amounted to 100,000 acres. Out of the 100,000 acres, 72,000 acres was foreign owned before. It was owned by Americans before the French individuals bought it. The people from France who bought it have sold approximately two-thirds of the 72,000 acres back to Canadians. So there is an example that would be registered in the Land Titles Office. It would be registered as land transacted to foreign investors. This land was owned by foreigners before the French people took over and now they've sold two-thirds of the 72,000 acres back to Canadians.

This particular development — they are certainly an aggressive operation. They are going to put 9,500 acres under irrigation. That's a pretty good-sized irrigation system in itself. I realize that this particular year they are going to have problems getting enough water out of the Red Deer River to irrigate this much land. However, they are going to put this agricultural land which has been grazing [land], into production. Also what they are going to do with their by-products down there . . . The hon. Minister of Business Development and Tourism and I met with them. They are going to have a new product. They are going to build bricks out of straw and plywood — they are doing it in France now — and they hope it's going to be a successful industry in the province of Alberta.

I'm indicating only one foreign investor, as I realize many of our foreign investors are speculators. They come here, get together a bunch of our farmland, market it at a high price and take the money back to their native land. I certainly disagree with this.

I appreciate the fact that the bill does allow all Canadians — and I certainly think it is commendable to have this — to purchase land in Alberta, which is not the case in Saskatchewan. Also landed immigrants — I think this is very good. Because I know that many of our Swiss people and people from France come over here and apply for landed immigrant status. They want to become part of the community. They want to become Canadian citizens. I certainly think it is commendable that in this act Canadians and landed immigrants can purchase land in Alberta.

I think one portion of the act indicates that the Lieutenant Governor in Council or cabinet can make exemptions. I certainly hope any exemptions made are going to be made public. I think they should be public.

Another area of the act does give me some concern, Mr. Speaker. That is where foreign investors can come here, can be 49 per cent shareholders and still be involved. I'm hopeful that we're not going to

get involved in setting up dummy corporations and getting foreign investors into Alberta in this particular manner.

As far as a lot of the agreements for sale, the one clause in regulations on agreements for sale — I certainly hope none of these agreements for sale are retroactive. I hope there is a stopgap as far as making any of these agreements for sale retroactive.

In conclusion, Mr. Speaker, as I've said, we're going to support this legislation. I think it is time that we have some control as far as the Foreign Investment Review Agency is concerned. From what involvement I've had with them, I certainly think they are very inadequate as far as making decisions on purchases of land in Canada.

I would like to have seen the bill go a little further, since it is covering our agricultural land. From the figures I get, 3 per cent of the agricultural land that has been traded is foreign investors, and our urban land is up to 15 per cent. So I would like to have seen the legislation possibly cover our urban land and some of our centres. If we can get our cities, our urban municipalities, to get land banks, I think this would solve the problem. However, as it is sitting right now, our urban land is certainly escalating, and I would like some consideration given as far as urban land is concerned.

MR. NOTLEY: Mr. Speaker, in rising to participate in the debate on Bill 40, I recall discussions we had five years ago, I believe, in the committee on foreign investment, when this matter of whether there should be any restrictions on the nationality of land-owners was discussed. At that time we faced a rather difficult and thorny jurisdictional problem. Changes had not been made in the Canadian Citizenship Act. It wasn't possible for the province of Alberta to legislate a bill similar to Bill 40. So the choice at that time was whether we would wait until changes were made or pursue another course.

The view of the provinces of Prince Edward Island and Saskatchewan was that the problem was sufficiently serious that they chose the only constitutional course open to them; namely, to legislate on the basis of residents. I don't really believe many people in this country, Mr. Speaker, would choose taking the route of residents if we have the constitutional authority — or the jurisdictional authority is a better way of putting it, because it was a change in the federal act — to legislate provincially. So I certainly intend to support Bill 40.

I don't often compliment the government, but let me say this in honesty: the government did move very quickly on this matter after the changes were proclaimed in the federal citizenship act. Members will recall that those changes were not made, were not officially proclaimed, until mid-February. So I think it is to the credit of the government that we have the bill before us during the spring session of the Legislature.

Mr. Speaker, in my view the arguments for some kind of control are overwhelming. I realize there are many potential vendors who look at the situation, and if there is going to be any restriction on the number of potential buyers, they realize that that may have an impact on what they can obtain from the sale of a farm. In the case of many of our senior citizens who have farmed all their lives, that represents not only

their income and livelihood, but the profit from the sale represents their pension plan as well. So there is quite naturally going to be concern among many of the elderly who have farmed all their lives about the impact of whatever legislation comes into effect that would limit the number of potential purchasers.

But, Mr. Speaker, we have to balance that concern — and I underline it as a legitimate concern — against the overall well-being of the province, and in particular the ability of younger people to get into agriculture at prices that are at least a little more reasonably close to the productive value of the land, as the Member for Bow Valley pointed out. When we see prices of \$700 an acre, \$1,000 an acre in certain places in the province, there is just no relationship anymore to the productive value of the land. You have a market situation that is produced not only as a result of foreign investment: let's be fair about it, other people have contributed to the huge increase in the price of land. Nevertheless, an accurate assessment of the situation shows that foreign investment has been a factor in pushing up the price of land. How big a factor, we can debate and we can quarrel. But I would challenge anyone to argue that it has not been at least of some significance in pushing up the price of land.

Mr. Speaker, when one looks at the situation in Alberta, I agree with the minister when he says the situation could deteriorate very rapidly and we could find many thousands of acres of land sold. You really have to have two parties to any rapid changeover: willing sellers and willing buyers. But we know the Arab countries have amassed billions and billions of petrodollars. We also know that when European purchasers look at the value of land, they tend to equate that value in European terms, where they have price supports for their products. Therefore, the value of land per acre is much higher than in this country. On the other hand, we know we have thousands of willing sellers, because the average age of Alberta farmers is at a level where there are many, many thousands of older men and women who would like to retire.

So in fairness, the most difficult balancing act we have to address ourselves to is the question of what a restriction contained in legislation like this does to the potential sale by people who have farmed all their lives. But having balanced that in my own mind for some time [with] the overall interests of controlling our own land, making it possible for the entry of young people into agriculture, and at the same time recognizing that land prices will still be good for the vendors, I have come to the conclusion that this sort of legislation is not only necessary but overdue.

Might I suggest, however, that we will have to go beyond just a bill dealing with foreign investment. I suggest we have to look at a comprehensive land use policy, one which quite frankly, Mr. Speaker, is not contained in Bill 15, even though some have suggested that changes in The Planning Act will make it possible to develop and utilize our land resource more efficiently.

Mr. Speaker, perhaps the most important thing that can be said about land is the way in which it's viewed. Some see it essentially as a commodity. But I think most people who have been farming all their lives see it in a rather different way. They see it, really, as a priceless resource, a trust for future

generations. That being the case, it seems to me we can bring in, if you like, restraints which might not otherwise be justified. But in the case of the importance of preserving our agricultural land, in my view those constraints are absolutely necessary.

Mr. Speaker, I want to say a couple of other things before making several observations about certain features of the bill. I notice that with Bill 40 we will close a loophole which has existed in legislation relating to the resale of Crown land. Hon. members will recall that in 1972 a bill was proposed in the Legislature which would have restricted the sale of Crown land to Canadian citizens or landed immigrants. Part of the import of that 1972 bill was a stricture against anyone reselling that land to a non-Canadian. The bill which had been introduced in 1972 was not proceeded with in 1973. In 1973, Bill 55, which restricted the sale of Crown land to non-Canadians or landed immigrants but did not restrict the resale, was introduced and passed. I would assume that resale would be covered by the provisions of Bill 40, so that what at least some of us felt was a rather significant loophole in the 1973 legislation has been closed. That's a step in the right direction.

Mr. Speaker, I want to deal with three separate items and features of this legislation. The first concerns the matter raised by the Member for Bow Valley, namely the very wide powers granted to Executive Council. I am aware, as a result of the proclamation of changes in the Canadian Citizenship Act, that certain authority is vested in Executive Council as opposed to the Legislature. I'm also aware and reassured that when one makes decisions by Executive Council, this information will be made public. What still troubles me, however, is that under Section 4 of the act — I don't want to get into a detailed discussion of it — under the regulations we are really giving virtually *carte blanche* authority to the Executive Council. I am wondering whether we need to go that far. Perhaps the minister, when he closes debate, would respond.

It seems to me what we've done in this legislation, both in the regulations and Section 4, is in effect give an act almost total authority — because we're talking about any class of persons, any transaction or class of transactions, any interest or class of interest, any use or class of uses. So, Mr. Speaker, that is a matter of some concern.

The second area is this question of exempting 20 acres as well as hamlets and summer villages. I will get to the urban land in a moment. I would suggest we may defeat part of the objective of Bill 40, at least as it relates to recreational land, if we exempt summer villages and retain this exemption of up to 20 acres, certainly as it relates to beach-front property — which may not be our major concern, and certainly compared to the importance of agricultural land is a rather minor one; nevertheless it is a growing concern, particularly for a number of Albertans.

As one looks at what has happened in other provinces — I would suggest one of the major reasons the province of Prince Edward Island moved on the question of absentee ownership of land and took the non-resident approach was because a lot of valuable beach-front property was being purchased not only by non-Canadians but by non-P.E. Islanders who looked upon that very beautiful province as a nice place to spend the summer, but not really the kind of place

where they wanted to spend their lives. So I would suggest, Mr. Speaker, that the 20-acre exemption may qualify the effectiveness of this legislation in a rather significant way as it relates to preserving recreational land.

I want to move from recreational land to the exemption of urban land. In introducing the legislation, the minister suggested the government didn't want to move on urban land because somehow that would be interfering with local autonomy. Quite frankly I suppose the same argument can be made as far as agricultural land, because this will have some impact on the local autonomy of municipalities, counties, or regional planning commissions. I think one has to make a judgment on whether foreign ownership of land is sufficiently troubling and of concern to make the judgment: do we restrict it or not?

I would just echo some of the comments made by the Member for Bow Valley, who cited the statistics the government's monitoring provision had obtained. The rural figures were relatively low, 2.5 per cent; the transactions in our urban centres were 15.4 per cent. I might just recall one of the more interesting public hearings the former committee on foreign investment held in the summer of 1972.

At that time, I believe Mr. Johns from the Calgary Real Estate Board appeared before the foreign investment committee and made a pretty strong pitch [on] the stranglehold foreign investors had in urban land around the two major centres. I'm sure Mr. Johns knows an awful lot more about that subject than I do, and I suspect [than] most other members of the Legislature. I recall his concern very vividly.

One of the points made by those who argue that we shouldn't move in the area of urban-land ownership is that if a company is going to locate, it is necessary to own the land. Certainly that has often been true. But I suggest, Mr. Speaker, that industrial land banking is an increasingly attractive proposition for the business community, and I would recall the much-heralded energy-corridor concept in 1974. One of the most publicized aspects of that energy corridor was the land banking which would be made available to some of the largest corporations in North America. Frankly, Mr. Speaker, I strongly believe in the proposition of industrial land banking. I would hope, in terms of job-creating industries, that exemptions on the basis of acquiring the land would be few and far between, and that in fact the government would find most large concerns quite agreeable to long-term leasing in the industrial land bank.

On the question of urban land, when one looks at even the government statistics — and we accept the arguments that have been made as far as pushing up the price of agricultural land — surely the same argument has to exist with respect to urban land: foreign investment in our major cities has been a factor in pushing up the price of urban land.

Mr. Speaker, in conclusion I would just say to the members of the House that I certainly intend to support Bill 40, notwithstanding several of the concerns I've cited. It is in keeping with the authority we have. In addition to saying that I intend to support it, and complimenting the provincial government for moving on this matter — let us also be fair — I think it is a matter of some credit to the federal government and to the Prime Minister, that changes were made in the Canadian Citizenship Act. You know, we talk a lot

about this business of centralizing power. But let's be fair; let's give credit where credit is due. The federal government made those changes; they didn't have to make those changes. They weren't in a minority position in the House of Commons. They had met with the premiers and discussed the matter, and came to the conclusion that changes in the Canadian Citizenship Act should be made to allow the provinces to move.

We are moving quite rightly but, in my view, at least part of the credit should go to the federal government for recognizing growing concern and accepting the fact that that concern is best handled by provincial action.

MR. TAYLOR: Mr. Speaker, I would also like to commend the government on bringing in Bill 40. I believe it will be welcomed by a majority of the people of the province of Alberta.

Foreign investment has played an important part in the development of our province. We would not have reached the buoyancy we have without foreign investment. But I believe we can do very well without the foreign investment certainly in our arable lands.

I believe the bill will be supported by a vast majority of the people of Alberta. In my own constituency this matter was discussed in great detail at the last pre-session meetings, over 20 of them. The people at those meetings were from towns, villages, cities, IDs, Indian reserves, and rural areas. We secured all the various viewpoints in regard to the pros and cons of bringing in legislation that would prohibit the sale of arable land to foreigners.

In spite of that, when votes were taken and gathered over the entire constituency, 72 per cent of the people asked me to ask the government to bring in legislation making the sale of arable land to non-residents of Canada illegal. Only 19 per cent wanted the wide-open system we've had up to this point. If that's indicative of the thinking of the people of the province we could well say that over 70 per cent of the people want this type of legislation.

This legislation will have an effect on our economy because now Albertans and Canadians will not have to compete with money from Germany, the Arab countries, Italy, and other foreign countries — and foreign countries include the United States of America. I think taking this money out of the competitive market is going to bring us closer to the point where we can tie sale and purchase prices to the productive value of the land.

One of the things that concerned all of us, I'm sure, during the last few years is the fact that too many people are paying prices for land that that land can never pay back. This put young farmers in a most ridiculous position because they couldn't borrow money to buy land that would never pay that money back. So the real and almost immediate good effect is going to be that our young Albertans may now be able to compete properly in the purchase of land with other Canadians.

I'm sure foreign buyers haven't been the only group offering prices for land above the productive value of that land. Sometimes our good friends the Hutterian Brethren are prone to do that. Because they have large sums of money and they want land badly enough they do pay beyond the productive value. They're good farmers and good businessmen, howev-

er, and whenever they're adding to that land then the price is certainly well within its productive value. But the fact that \$1,200 an acre is acceptable for farm land in Germany, I'm told, would mean those people would be very happy and would think they're getting a bargain if they paid \$700 and \$800 an acre for land in the province of Alberta.

I think the bill will stop the sale of our arable lands to foreign buyers. I think this is good. None of us wants to wake up some morning to find that much of our arable land is under the control of people who are not even living in our country.

The next point I would like to make in regard to this bill is the monitoring aspect of the land titles bill that was passed some time ago. I would hope the government would continue the monitoring, particularly of lands that are excluded from this bill and also of lands where foreign ownership is less than 50 per cent. I think we should have a graph and a record of what's going on in regard to our land in this province so that X years down the road, when concern is expressed about urban land going into the hands of people who don't live in the country, we'll be able to have a record all ready so that the government can keep tab on what's going on and if necessary close the gap if that percentage comes too high.

I would also like to express some concern about the 20 acres, not for arable farmland, because I can't see people coming into a country to buy 20 acres of arable farmland. It may take place but it would certainly be very rare. But I can see 20 acres of recreational land being bought by people who are not residents of our country. I would suggest to the hon. minister in charge of the bill that he give some consideration to the fact that 20 acres of recreational land is a good, sizable piece of land if you have good waterfront, a sandy beach, and so on. I'm sure we don't want our recreational areas coming under the control of people who don't live in our country.

I think the bill is well balanced. It balances the whole process of not drying up foreign money coming into our country with a very well-thought-out bill in which our arable land will not be available for sale. I hope the press will spread the message across Canada and the world that arable land in Alberta is not for sale to other than Canadians.

MR. MUSGREAVE: Mr. Speaker, sitting on this side of the House perhaps I'd like to take the position of those members who normally sit on this side of the House, and cast a little cold water on the enthusiastic response that has been given to this bill so far.

The hon. Government House Leader mentioned closing the door after the land has gone. I'm questioning just where the land has gone. It's still here. Its use is still controlled.

The hon. leader mentioned that we want jobs, investment, and secondary industry in our community. I would suggest that the sale of land would release this capital for this kind of investment — farmland, any kind of land, at least it's money that's being put to work in our community.

Mr. Speaker, I feel that in many ways this is an emotional response to those who perhaps didn't have the opportunity to sell their land at high prices. As a city person it looks to me like the Hutterite situation all over again. The ones who were most vociferous in their complaints were those who were unfortunate

enough — or fortunate — not to be able to sell their land at a high price.

The hon. leader also mentions that it's not anti-foreign investment. I would suggest, Mr. Speaker, it would depend on where you sit; if you are in the United States as an investor you are obviously a foreigner. Or do you sit here in this House as a legislator? I'd find it hard to suggest this is a positive approach to foreign ownership, and an investment, to provide economic opportunities for Canadians.

The minister also mentions that the vendor will not get the market price. I just hope that our Legislature building is not subjected to the kind of demonstrations that took place in the province to the west when the farmers realized the significance of the bill introduced by the NDP government and how it restricted their rights at that time.

The Member for Little Bow mentioned urban sprawl. I wonder where our priorities are, Mr. Speaker. In this province we have less land for people than for roads. The huge roadway rights-of-way that exist throughout our province are always a concern to me. Surely if the land is so valuable and the productive needs are so great, why isn't this land being put to use? Why is it left for road rights-of-way? These kinds of rights-of-way do not exist in other parts of the world.

They then get into the question of productive value and market value. I'm not an economist, but I thought that land should be worth what it will produce, whether it's for a housing site for a growing community, or whether it's for raising grain or livestock. Mr. Speaker, as a non-farmer, I would suggest that there are factors in farming other than just the cost of land. A neighbor of mine who has a farm in Saskatchewan is having a very difficult time right now hiring labor to put in his crop. Last fall he had a very difficult time hiring labor to take off his crop. He has problems with fuel costs and pesticide costs. This year, he has a problem with poor markets. I fail to see how controlling the value of the land is going to affect these costs.

The hon. Member for Spirit River-Fairview mentioned the wonderful things they did in Prince Edward Island. I get a little concerned that we are maybe getting ourselves into a ghetto if we try to keep people from participating in land ownership in Canada. If we want to have a good standard of living, if we want to participate in world affairs and move our products into world markets and obtain the benefit of being world citizens, we've got to provide the economic opportunities for people in our own communities. We can't say, on some areas you can move in and help us, but in other areas where it looks like it's going to be too good for you, we're going to keep you out.

Getting back to urban land, the hon. Member for Spirit River-Fairview . . . And this really concerns me when the Member for Spirit River-Fairview gets up with such enthusiasm and supports one of our bills. I'm immediately nervous, to say the least. But Mr. Speaker, dealing with urban land, land prices in Alberta have risen dramatically; not just around the city centres where there may be foreign companies such as BACM which is I think owned by the Belgian royal family. Urban land and land near urban centres throughout the whole province has gone up in price.

But I ask the House to consider these things in

urban land. Who controls the use of the land? It's city council; it's this province. Who collects the taxes from the land? Who collects the taxes from the buildings on the land? Who lives in the buildings? Who built the buildings? Who made the profit from the buildings when they were built? Canadians. Canadians all the way. The buildings are still here. They're still being used by us. They're not back in Germany. Most important, Mr. Speaker, the money used to put that investment together in the first place is now released to be used for other things. I just hope the hon. Member for Spirit River-Fairview thinks about this.

Mr. Speaker, I think that all my farm colleagues in caucus and in the House appreciate that the value of farmland has a direct relationship to the value of the farm products. I think they would be the first to agree that if the farm product situation goes down, land values go down. It's a very, very close relationship. I find it difficult to believe that our young people in this province, if they have foreign ownership control of land, are suddenly going to be able to get into farming. If I believe the hon. members of the opposition when they say there are thousands of elderly farmers who want to sell and [have] no buyers, does this mean that the elderly people are so greedy and want such high prices that the young people can't have them? Do you think we're going to be able to legislate them into selling at low prices because we're going to remove a portion of their market? I find this hard to accept, Mr. Speaker.

Finally, Mr. Speaker, I've lived in Prince Edward Island, I've worked in Prince Edward Island. I find it very disturbing that anyone would suggest that because Prince Edward Island controls the use of land and who can buy it, whether you're a foreigner or a non-resident Canadian . . . I find it very disturbing. Prince Edward Island has one of the most depressed economies in the country. It's nice to live there; you can't eat scenery. You can't live off the tourist industry when there are no tourists. Mr. Speaker, I would urge the House to consider that surely we wouldn't want to repeat that performance on a more massive scale in the province of Alberta.

MR. McCRAE: Mr. Speaker, I'd like to offer a few words on this very difficult problem. Let me say first that it must be unusual to have urban members, such as the past member and myself, speaking on a matter that is to some considerable degree an agricultural rural problem. But I do think there are several things that should be said, and I would like to address myself to them.

First, my qualifications are that I was raised on a farm and spent my early years there. Things may have changed somewhat, but the old roots are still back there somewhere. Furthermore, I was a member of the land use caucus committee chaired by the hon. Member for Banff, Mr. Fred Kidd. We spent a good many days wrestling with this very difficult problem. We reached a conclusion that agricultural, recreational land buying should be restricted to Canadians and landed immigrants. We had very complex and difficult deliberation, but we did reach that conclusion.

Might I first of all address myself to some of the remarks of the Member for Calgary McKnight. I am in a rather strange position here today, in that I find

myself agreeing in large part with the Member for Spirit River-Fairview and disagreeing with the Member for Calgary McKnight. About the only area that I can agree with the Member for Calgary McKnight in is that he has some concerns about the bill simply because the Member for Spirit River-Fairview is supporting it. Well, I don't share that entirely, but I would like to make some comments.

If I heard him correctly, the Member for Calgary McKnight said that the bill was an emotional response to a difficult question. I would say it's an emotional question and the response was not emotional at all. It was very rational, well planned, well documented, and well considered.

With regard to the question of discouraging foreign investment in other areas, I think we all agree that as a resource province we must encourage all the dollars we can, subject to the terms and conditions we will impose on them when they come here. I don't think this bill will have any impact on that at all.

I think we all recall the Premier's visit to Europe several months back, at which time he spoke to European investors — I believe it was in Germany — and I'm sure they were forewarned at that time that we were planning or considering legislation in this area. My understanding is that there was no adverse reaction to that at all. The bill has been bruited around. There has been lots of advanced warning. Investors from abroad are not not coming here because of that. In fact I'm meeting with two groups in Calgary over the next 10 days to discuss further investments in the resource area. They are aware of the bill we're talking about here today.

Also the question of roadways the Member for Calgary McKnight raised, that we're utilizing more of our precious ground for roadways than we are for people; I think that's a red herring, if I might say that. Looking at the Calgary area, we have roadways and transit systems and we're talking about expanding those, as we must, because as the population grows we need additional transportation avenues, whether LRT, roadways, whatever. We need to move people. That's what it's all about: getting people from point A to point B. So just those two comments on that particular area.

Mr. Speaker, this is a very complex and difficult question. When the caucus committee reviewed it, we recognized that in recommending this type of legislation, we were to a degree restricting what we had thought were historical, traditional rights to dispose of your property as you saw fit, subject to existing legislation which might restrict you in some areas of land-use planning, environmental concerns, and so on. But you could more or less do what you wanted with your land. We recognized we were impinging on that, and decided — in my view at least this was the reason for our conclusion — that it was a necessary thing. Agriculture is a part of our heritage. The family farm is also a part of our heritage. The overseas situations — where we have the OPEC dollars, the dramatic increase of oil and natural gas — oil from roughly \$2.80 a barrel to something in the neighborhood of \$14 a barrel at this time — and the billions and billions of dollars that are being accumulated in overseas countries, plus the fact that there are prognostications that energy . . .

DR. BUCK: And Alberta, Stu.

MR. McCRAE: . . . oil may triple again in the next 10 years. I saw a projection of that the other day. A barrel of oil might be going at \$30 in 10 or 15 years. If that happens and you see the tremendous accumulation of wealth overseas, plus the instability of several governments over there, plus the inflation factor which encourages people from abroad to want to invest in land in a stable, sound agricultural area such as the province of Alberta: that is what encourages me to believe that this type of legislation is good legislation.

The hon. house leader spoke of the timeliness of the legislation. I agree with that. Let's move now. The monitoring system has indicated that it isn't really a great problem now. The concern isn't what has happened in the past, but where it may go in the future. We here are all concerned when we have retroactive legislation. It is very sparingly brought into this House only in extremely urgent and exceptional cases. So now is the time to move with this bill, to close the door before the horse has escaped, so to speak.

On the monitoring system: we've had a lot of discussion in the past 20 or 24 months as to the effectiveness of that system. I think we all agree that it wasn't absolutely foolproof. But I think a lot of us thought it was working fairly well. It may have been working kind of well. But I got a shock one evening. I was in one of the recreational establishments downtown having an ale with a friend and . . .

AN HON. MEMBER: A massage parlor?

MR. McCRAE: No, it was an alehouse. My friend joined me and advised that after spending some 20-odd years in the oil patch he had decided that he would like a change of occupation. He asked whether we were planning land restriction legislation. I told him it was certainly something we were seriously considering. He told me that he had had discussions with an overseas group, that they would buy a farm, a large piece of property which he identified by name, told me the dollar value, told me what his percentage of the contribution to the purchase price would be, what the percentage by the overseas investors would be, and what their respective per cent of ownerships would be. His ownership would be in excess of his contribution, let's put it that way.

Well, it wasn't but four, five, six months later that I read in the press where this particular property had been sold, and it was reported with some degree of enthusiasm as having been sold to a local Alberta interest. It may have been. But my belief is that it was sold to a front man for the overseas interest. Nothing wrong with that; the legislation permitted that at that time. But that is just one more example of why we should be moving with this legislation at this time.

I won't impugn the fellow who made the purchase. I'm sure that having him in with the overseas investors will be a good thing, and through time he will probably become the predominant owner of that particular ranch area.

Dealing with the exception of mines and minerals from the regulatory aspect of the bill, I think that's a necessary thing. I wouldn't think there would be any

challenge to that in this House. Certainly I would support excluding or exempting mines and minerals.

The urban lands exception: contrary to what the Member for Bow Valley and the Member for Spirit River felt about that, I thought the Member for Calgary McKnight made some excellent arguments as to why that area could be excluded. Foreign or non-Canadian landowners in the urban scene to the best of my knowledge are doing one of two things: they are buying land for future development. Not for speculation, but for future development. I don't think there is anything particularly wrong with that. They're not increasing the prices beyond what Canadian developers [or] Canadian builders are. So I don't think we need to exclude them. We need their money in the housing area. Beyond buying land for development, they're buying high-rise and other apartment, residential and commercial buildings in the urban areas, the major cities and probably the smaller centres as well. Again I don't see anything wrong with that. It releases Canadian or other money for investment in other areas.

The question was raised about whether or not rural land was overpriced. I would suspect it is. You hear figures of \$700 per acre, \$1,000 per acre and it's hard to imagine a return from farming on an investment for a purchase price of that magnitude. Rather than see these prices being driven upwards and upwards — and I grant you that non-Canadian buying isn't the only factor driving the prices upwards, there are a number of factors that also encourage high prices. But rather than see the prices go up, with the problems that may bring to us, the problem I'm thinking of . . . I listened some months back to a CBC broadcast from eastern Canada. A well-known Canadian economist was on the broadcast. I don't know what his politics were; it sounded to me like he was away out here in the far, far left somewhere. But he noted the rising prices of agricultural land. His suggestion was that the productivity or profit picture for agricultural land should be rated to the cost. In other words, put it on almost a utility-type base. Then, if the land costs you \$1,000 or \$5,000, whatever it might be driven up to, you would still get your 8 or 10 or 20 per cent rate of return, no matter what.

I think that would be disastrous for the consumer. There is no way that we could support, I would hope, that kind of thinking. To me, farming is a prime example of the private or free enterprise system at work. You go out and pay whatever you think is a fair price in a free, competitive market. If you pay too much, that's your problem; you won't get a fair economic return on it. That should serve to hold prices at a fair level, providing we take out the stimulation of overseas buying based on petrodollars which may be encouraged to come here because of the stability of the present situation in Alberta.

All in all, Mr. Speaker, I think it's a very good bill. I think it's timely. I think it's well balanced. I'm glad we're not going in the direction of Prince Edward Island, Saskatchewan, or the direction the former government of British Columbia took. I think those were reactions, maybe overreactions, to problems at that time. I'm proud that this government has taken its time and given very serious consideration, first of all to whether we should have legislation in this area, secondly, the type of legislation we should have. I am more than satisfied that it's the type of legislation we

need.

One more comment, Mr. Speaker, and that is on the flexibility to the Lieutenant Governor in Council in the bill. I know a lot of us in this House don't ordinarily like to see that degree of flexibility in legislation and we have seen very little of it since 1971. It's something we're all proud of here. The flexibility is necessary in this legislation for two reasons. Number one, it's a pioneering type of legislation. We're not just sure of all the pitfalls or areas out there that . . . We'll gain experience in it. We need the flexibility to accept different areas or close the door on them if necessary.

The other factor, of course, is the legal one that the delegation from the federal government was in fact to the Lieutenant Governor in Council rather than to the Legislature at large.

Mr. Speaker, I would urge that all members support this bill.

DR. BUCK: I've always tried to make it a practice, Mr. Speaker, not to rethresh all the straw in the grain that's been brought before this Legislature. I will try to stick to that tradition. But I do wish to go on record as saying that I certainly support the bill. I would like it down for the record that I am proud of the role that the opposition has played in motivating this government [interjections] to finally move in that direction. I say that in all humility, Mr. Speaker.

AN HON. MEMBER: Hear, hear.

DR. BUCK: Because if there is anything the small opposition that we have in this Legislature can do to this government, with the aid of the media and with the aid of people who are concerned about problems such as this, it is to finally get the government to move.

MR. NOTLEY: Hear, hear.

DR. BUCK: But it was a tough job. [interjections] It took a lot of work. It took a lot of presenting bills in the Legislature. It took a lot of publicity by the members and the media to finally get the government to move. But they did and I welcome the legislation.

MR. NOTLEY: They're screaming a bit, but moving they are.

DR. BUCK: You know, it's a change for us to stand on our side of the House and pat ourselves on the back when we're so used to that from members on the other side, breaking their arms patting themselves on the back.

MR. R. SPEAKER: Rubber stamping.

DR. BUCK: But the area of concern I really want to express, Mr. Speaker, is to make sure as many loopholes as possible are plugged to make sure there's no fronting. Because if we're still going to be selling recreational land and agricultural land to non-Canadians through a front, we have in essence defeated the purpose of this bill. I have great respect for the Government House Leader's legal ability and the experts he has in his department, and I'm sure that will never happen. But I wish to bring to the

attention of the Legislature: let's hope the loopholes are plugged so the legislation will in effect do what we want it to do — to limit foreign buying of prime agricultural and recreational land in this province.

Another area causes me some concern. As was mentioned by some of the other members — so I'm not going to thrash that around too much — the situation can arise where small towns and villages can be practically surrounded, and the cost of developing those lands could be prohibitive.

[Mr. Speaker in the Chair]

I would like to bring to the attention of members exactly what happened in my town of Fort Saskatchewan, where little by little the land surrounding the town came under the control of large development corporations. The last transaction really bothered me. Lots in Fort Saskatchewan were selling in the vicinity of \$15,000, \$16,000, \$18,000. Hon. members of the Assembly, when Abbey Glen sold to Genstar, those lots went from \$18,000 to \$35,000 overnight. It's no big secret that Genstar is a large foreign-owned company. So this can happen. I think the minister should have a look, that this area should be reviewed.

Mr. Speaker, I just want to go on record saying I support the bill. I would like to end by telling a little story to the hon. members of the Assembly. On a large tract of land in the Fort Saskatchewan area — this is the one I have mentioned many times — about 3,000 acres have been taken out of the hands of Albertans and are now owned by a German interest. The gentleman who owns the property happens to be a member of the Christian Democratic Union official opposition. I guess he must read *Hansard* once in a while [since] he knew I was concerned about foreign buying of land. So we had a little meeting, a very sociable affair. The honorable gentleman said very plainly, my family in Germany have been farmers for 700 years. But, he said, you can't buy land over there. He said, I know your stand but on the other hand, as long as the law is such in Alberta that I can buy your Alberta land, I will buy everything I can get my hands on. I said, fair pool, that's fair game — the law is such. I'm not happy about your doing that. I would be happier if your sons came over here, farmed the land, and became landed immigrants. But the way the law is now, you are entitled to do that. So we broke up our little meeting on very good terms. But the point is that he said, that is the way the law is now, and I will buy all I can get my hands on.

Now, that is not possible. So I would like to go on record, Mr. Speaker, as supporting the bill.

MR. ZANDER: Mr. Speaker, I have somewhat mixed feelings about the bill. I think I have voiced my opinion a number of times. It is easy for people to say what one should get for his property, and what other people should receive for their property. It's easy to take the other side of the story.

It often reminds me of the old saying: what is sauce for the goose is also sauce for the gander. But let me put it into perspective a little bit better by just taking an illustration. We can take a parcel of land that is, let's assume, five acres. Any foreigner can own five acres. It has a \$100,000 home on it. The owner is able to sell that land at any time to a foreign owner, and probably get \$250,000 from it. Next to him is a

piece of subdivision land, take 40 acres. It has a nice home on it, probably equal to the price of the one on the other side, but it can't be sold. The owner cannot sell it to anybody else. He must sell it to a Canadian. I think we have to be fair in assessing . . . If we exempted everything except the quarter section of land where the home existed, I think I would go wholeheartedly along with it. But remember, whoever buys this land cannot package it. He cannot load it on a boxcar. He cannot take it on an ocean liner, neither can he hook it to PWA and take it over to Europe, to the Middle East. We can't export it. It will always be here.

I've got somewhat mixed feelings, Mr. Speaker, that we're saying to some people, you can go ahead and sell your land to the highest bidder; but to the farmer we say, no you can't, you must sell it to a Canadian at a lower price. Today's farmer is having a tough time of it. He is not a second-class citizen. He has every right to live as the people who own the acreages and should have the same privileges. If a farmer has a home on 160 acres, I think he should have the privilege, the right, to sell it to the highest bidder. We're not asking for too much. If he has 10 sections or two sections of land, I would say 1.75 of those sections should be sold to Canadians.

I think we have to be reasonable in treating all people alike. I'm saying if a home situated on a lot in the city of Edmonton is selling for \$100,000 — and he will sell to the highest bidder if it's \$101,000, we know that, that's human nature — the farmer should have the equal chance of selling his or her land, at least part of it, to the highest bidder so he can have something for his work. Because we know a quarter section that has a home on it supplies only the basic amenities for making a living. He can't do it entirely out of farming, in this day and age. The balance of the land, I agree, should be sold to Canadians.

I just caution the Legislature. I agree we should try to hold the line somewhere, but I don't think we're going about it in the right way. I think that we have to give the farmer the same opportunity as the urban dweller.

It has been said that minerals are exempted. Maybe they should be, because of the high risk involved in drilling for oil or whatever. But we must remember that oil and minerals can be utilized by foreign owners, exported, et cetera — whatever they wish to do — to the highest bidder, at least according to the Energy Resources Conservation Board.

Although I am going to support the bill, Mr. Speaker, I want to draw to the attention of all hon. members that there aren't two types of citizens in Canada or in Alberta. We are all equal, whether we own one lot or 160 acres. I wish you would all remember that when you vote on the bill.

MR. STEWART: Mr. Speaker, I would like to take this opportunity to express my opinions on this bill. I have enjoyed listening to the varied opinions of the different members this afternoon. I have to commend the urban members for their interest in the value agricultural land is realizing in Alberta. But I would like to go back to the traditional philosophy that started agriculture in this province, a tradition of farm ownership of land. I think this bill has been brought in as a response to the people of this province who want to believe that this type of farming is a tradition

to maintain.

There has been a lot of controversy over the different types of ownership of land. We've only got to recognize that in older countries which have been established longer than we have, land values have gone beyond their ability to pay their way. It becomes a property that is held as security against inflation or as security that will not depreciate in value.

I think that as time goes on unfortunately the same will apply in this country. But one thing we are trying to do with this bill is protect agricultural land in this province as long as we can, so that it can be owned and change ownership for its true value as agricultural land.

I've heard the criticism that farmers should be able to get the highest dollar when they sell their land. We've got to recognize that within this province we also have petrodollars, and that agriculture in Alberta is not travelling on the high plane that some of the other parts of our province are. The industries in our province are travelling on a higher plane. Agriculture in Alberta is having to compete for labor with industries that have the ability to pass on their costs of production. Agriculture does not. It's a serious situation when you've got one of the prime ministries of our province having to maintain competitive situations for labor and material where they do not have the ability to pass on this cost of production.

Certainly this bill is going to be an answer to people who feel that young farmers who are coming on, and whom we must have to maintain our agricultural economy, should have the opportunity to buy land at a value they can afford to pay. I think we have to recognize that as long as this is possible we should try to maintain this status. For that reason, Mr. Speaker, I've got to support this bill.

MR. GOGO: Mr. Speaker, as another urbanite, it may interest some rural members that someone else who is not from the country has chosen to speak on Bill 40. I hadn't planned on it, but because of some of the remarks I've heard I think it's perhaps incumbent upon me to make some remarks — because I've learned so much in the debate this afternoon.

Mr. Speaker, I think we should recognize a couple of factors, first and foremost I suppose that we're reacting to a situation that developed with an amendment to the Canadian Citizenship Act, which was amended a year ago last month, in April 1976. That's really how I think the situation developed. Up until that time in Canada we had only five provinces that had controls regarding aliens or foreigners, and they applied only to Crown land as opposed to privately owned land. They were the provinces of Alberta, British Columbia, Newfoundland, Manitoba, and Prince Edward Island.

Mr. Speaker, I think it's significant that the reason for the change in the Canadian Citizenship Act a year ago was timely, because problems had been developing in the maritimes. Indeed I suppose at this point in time the most significant province in terms of controls would be Prince Edward Island.

I think it might be interesting, Mr. Speaker, to cover the relevant differences between provinces that have controls. For example, I think Alberta is unique in sponsoring Bill 40. I've had reservations about limiting the ability of an owner, a farmer, to sell land to the highest bidder. However, on reflection I think

there are compensating arguments as to what is really in the public interest in the long term. We are dealing primarily with agricultural and recreational land as opposed to urban land.

Mr. Speaker, I think it's interesting to note that the provinces of Prince Edward Island and Saskatchewan are the two provinces that deal on the basis of non-residence; nothing to do with citizenship, nothing to do with the Canadian Citizenship Act. Two other provinces, Ontario and Quebec, deal with non-residents of Canada as opposed to those provinces.

Very briefly, Mr. Speaker — and I think perhaps this has been alluded to already by the Member for Spirit River-Fairview — until recently Prince Edward Island limited non-resident ownership to 200 acres or, in the case of lakeshore, 330 feet or five chains. Just a couple of years ago that was changed to 10 acres. So here in Alberta we talk 20 acres, and Prince Edward Island is 10 acres and 330 feet of lakefront property or riverfront property.

In the province of Saskatchewan, the other province dealing with non-residents, they have an unusual system. They base it on the assessed value of land — \$15,000 assessed value — which, because it is tied into productivity, I don't believe really means very much because at current assessed values in the province of Saskatchewan that is 480 to 1,600 acres, depending on the part of the province. Surely if we're concerned about foreign ownership of agricultural or recreational land we cannot deal in those terms of 480 to 1,600 acres, like Saskatchewan.

Two other provinces, Ontario and Quebec, approach it in a somewhat different manner. They have taken a punitive approach, in that the province of Quebec levies a 33.3 per cent tax on a purchase by a non-resident of Canada. In Ontario the tax is one-fifth. So if a foreigner were to purchase land in Ontario, he must pay an additional one-fifth in terms of the price. They're intended to dissuade foreigners from purchasing.

I think there is a uniqueness about some provinces. One of them, Nova Scotia, doesn't have any controls at this time. But there again, they have 20 per cent unemployment. Perhaps they are not attracting people.

Mr. Speaker, I think the significance of Bill 40 . . . and in fairness, the government of Alberta has had the opportunity to assess legislation of other provinces and has come up with what I think is a meaningful compromise, recognizing that the very principle of restricting an owner of land in this province not to sell to the highest bidder is a very significant move. I suggest that on balance in the public interest it's probably viable. But anybody who is interested and wishes to own recreational land or farmland in this province simply has to become a landed immigrant of Canada. So we're not restricting anybody to a 10- or 20-year residency period prior to purchasing.

I think the other important item, Mr. Speaker, is the fact that the government of the province, the Lieutenant Governor in Council, or the cabinet that makes the regulations can determine what is in the best interests of Albertans. So if we have somebody who doesn't meet the landed immigrant status or a corporation that wants to acquire a tremendous amount of land, and in the wisdom of the cabinet it's in the public interest that they be able to purchase that land

to provide jobs and economic activity for Albertans, then of course it's within their purview to accept it, make the recommendation to government, and of course the government to accept it.

I think on balance, Mr. Speaker, many members in the Assembly have had reservations. I think that simply points out that in many instances the problems of government today are ones of balancing what in the end result is in the best interest of all Albertans. Although I've had some difficulty reconciling my mind to how you prevent a man from selling his land to the highest bidder, on reflection I agree that in the interest of Albertans in the long term we must do that, to withhold ownership from foreigners.

On that basis, Mr. Speaker, I support the bill.

MR. SPEAKER: May the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. HYNDMAN: Very briefly, Mr. Speaker, I want to thank the hon. members for their contributions. We will be considering some of the specific suggestions before committee study of the bill, but particularly before study of the regulations which will be passed this fall.

I was pleased to hear the Member for Clover Bar mentioning that he was not going to rethresh any grain. Once again he demonstrated that very skilful ability, when he speaks, of being able to separate the wheat from the chaff and give us the chaff.

The only two matters I wish to respond to now deal with the suggestions from a number of quarters. One, with regard to the application of the bill only to non-urban lands, I suggest that if we look, for example, at the submissions made by the Urban Municipalities Association over the course of the last five years — and those urban leaders in towns and cities are up to date on what's happening — there have not been any requests with respect to foreign land ownership provisions applying to the major city or major town areas. Certainly the AAMDC has said that, but to my knowledge that has not come from the urban municipalities.

I think as well that we do not yet have, and there hasn't been presented, any definitive evidence that the increase in land prices in the downtown areas of large cities is a direct result of foreign investment. I think a good deal more investigation would be required before that could be established as a fact.

Also of course, I think we have to remember the reciprocity aspect of what's going on in cities. If we recall a story whereby the largest Alberta corporation — one Oxford Leaseholds, with a gross corporate product of half a billion dollars — is now building shopping centres and very large downtown development projects in Minneapolis and Denver, well, of course, we wouldn't see any more of those Alberta enterprises carrying the Alberta flag and exporting our expertise to other parts of the country if we're going to put restrictions on what happens in this province. I think a good deal more thought would be necessary before even considering that approach.

Secondly, dealing with the matter of regulatory power, Mr. Speaker, I think it's important to point out again that this province and this Legislature do not have the power to pass specific laws with respect to

this area. By reason of the federal legislation, those powers reside only in the cabinet of this province. As has been mentioned, the federal government did act very responsibly, in our view, in following up our province's request to change the legislation. But of course, that federal act says:

The Lieutenant Governor in Council ... is authorized ... to prohibit and ... in any manner restrict the taking or acquisition ... of ... real property ...

... may make regulations ... [as to] what transactions constitute direct or an indirect taking or acquisition of any interest ...

As members know as a result of the Nova Scotia delegation case, on the basis of the wording of that federal statute, if this Legislature purported to carry out what is in the regulatory section of this act, it would undoubtedly be struck down by any court in Canada. So barring a change by the federal government in future — and if that occurs we would like to have this act more comprehensive — we are simply prohibited as a government from carrying out the effect of the act unless there is that regulatory power.

Mr. Speaker, I look forward to further debate during the committee study.

[Motion carried; Bill 40 read a second time]

Bill 35

The Workers' Compensation Amendment Act, 1977

MR. CRAWFORD: Mr. Speaker, I take pleasure in moving second reading of Bill 35, The Workers' Compensation Amendment Act, 1977.

Mr. Speaker, I think the best way to summarize the principle of the bill for hon. members today would be to indicate that since the bill was last before the House for review, reconsideration, and amendment, the government has had the advantage of two reports. The Workers' Compensation Act, in the form it's been in since 1973, provided that an advisory committee meet and advise the minister on an annual basis in regard to scale of benefits.

Also, in accordance with the custom that has arisen in the Legislature in regard to reviewing the act by way of a select committee and its report, it so happened that late last year was also the occasion upon which that report was presented to hon. members of this Legislature. We took the view that what should be done in this particular year was to digest and allow for the select committee recommendations in a slightly longer time frame than was available from the time it was filed until the time this legislation was drafted. So, by and large, the provisions of the recommendations of the select committee report are yet to be dealt with. I look forward to doing that and bringing those important matters before the House on a subsequent occasion.

However, the recommendations of the advisory committee, by the nature of its function under the act in the form that it has been in since 1973, should be looked at annually. For that reason, the bill now before hon. members basically deals with the compensation package only. One or two other items are also dealt with. But primarily it would be fair to say that the items deal with an adjustment of the benefit package for this year.

I want to indicate one other thing before concluding my remarks and brief summary in that respect, Mr. Speaker. An amendment has been distributed which will be dealt with at committee. That has the effect of changing the reference in the bill as printed to a higher figure — in other words, from \$15,000 to \$15,600 — the figure at which the maximum contribution can be calculated by an employer on behalf of an employee. So, I want to assure hon. members that it wouldn't be proposed to leave it at \$15,000. It would be \$15,600 at the time we look at it.

Mr. Speaker, other than specific concerns that hon. members might want me to respond to in closing debate, I think I will conclude my remarks.

MR. NOTLEY: Mr. Speaker, let me say first of all that I welcome the amendment. Had we not had the amendment before the House, we would have been in a rather, one might say, foolish position, because claimants this year would actually receive less than claimants last year. So the increase in the figure from \$15,000 to \$15,600 was necessary if there was to be that recognition of the passage of a year.

I would make two comments with respect to the bill, Mr. Speaker. First of all on the positive side, the government has certainly improved the section dealing with death benefits. Those were rather low and, as a consequence of the amendments contained in the legislation, will be improved substantially. That is certainly welcome.

I would just utter a note of disappointment with respect to the pensions for the permanently totally disabled prior to 1974. Mr. Speaker, the figures I see in the bill are certainly more, 7.5 per cent more, than was paid out last year. But I suggest to the minister and to members of the House that if we're going to really deal with this question of assisting people at the lower end of the scale — and I know that has been the ongoing concern of the advisory committee, and I'm sure of the select committee as well — we should perhaps try to find some mechanism other than just an arbitrary increase.

Obviously the figure of 7.5 per cent is an effort to take the cost of living and say, all right, the cost of living has gone up by 7.5 per cent in the last 12-month period, so we'll apply that across the board so there's no deterioration in the income of the individual pensioners. That's fair enough, except that I suggest we should move forward and attempt to tie the basic pensions to at least some arguable position. I think one that is reasonable is the minimum wage. Then, widows' pensions would be a percentage of that. The percentage has been worked out over the years. The reason for that, as the minister will recall, is the fact that we also provide benefits for dependent children.

Without getting into that in great detail, Mr. Speaker, it does seem to me that using the minimum wage as our yardstick for pensions for the permanently disabled would be a justifiable route to adopt, and one which would provide more money this particular year than the government anticipates. I would guess the difference would be some \$40 or \$50 a month. Admittedly that money would have to come from the public treasury, but again it would be money from the public treasury to those people who need it most. I certainly subscribe to the argument that we should place our emphasis on the lower income pensioners,

as opposed to concentrating our focus on increasing the ceiling. The reason for increasing the ceiling from \$15,000 to \$15,600 was necessary just because of the structure of the legislation.

Rather than worrying about pushing the ceiling from \$15,600 to \$20,000 or \$24,000, or whatever the case may be, I think our objective has to be to upgrade the pensions at the lower end of the scale. I would just re-emphasize my personal view that one feasible method the government and the caucus should seriously consider would be the minimum wage.

MR. PLANCHE: Mr. Speaker, I would just like to make a comment or two on Bill 35. I intend to support the bill, but I think members should be aware that when we're talking about increased benefits, contributions, and one thing or another, we're not talking about the government doing that; we're talking about employers doing that.

I caution all members that a great many people in the fabricating industry in Alberta, particularly metal fabricating, are in dire competitive circumstances. We are now faced with probably the highest wages in North America. In that particular industry, we're faced with competition from Ontario, Oklahoma, and Texas, where they're just meeting their fixed costs. As a result the people who stay alive here are in very, very marginal circumstances.

While I support all of the good things involved in this bill in a sociological sense, I would just like you, sir, to think next year perhaps that the members would consider that these extra premiums are coming right off the top in an industry that may not be alive to support it.

Thank you.

[Motion carried; Bill 35 read a second time]

Bill 38 The Municipal Election Amendment Act, 1977

MR. PURDY: Mr. Speaker, I move second reading of Bill 38, The Municipal Election Amendment Act, 1977.

There are a couple of important amendments to this act, Mr. Speaker. One amendment will probably affect a lot of Alberta residents who are not Canadian citizens, because we are removing the clause that a British subject would have the right to vote or run in a municipal election. This is making it compatible with The School Act, where the act was changed, also with the federal Elections Act and the provincial Election Act.

We've also rewritten Section 34 to delete the automatic right of the property owner to vote in an election. To vote under the new provision, they must be Canadian residents and also residents of the municipality when the election is held. Previously, if a person voting on a money by-law or for a councillor in a particular municipality owned land outside that municipality, he or she could also vote in the municipality in which they held land. Now we have put in a residency clause saying that you must be a resident of the municipality [for] six months before the election is called.

Another important amendment to the act: previous-

ly the occupation of the candidate was shown on the ballot. This has now been removed to show that all candidates have equal status on the ballot. In a couple of previous municipal elections in the province I believe people running for mayor who were in fact mayor showed their occupations as "mayor" on the ballot. This will not be possible any more under the amendments to the act.

[Motion carried; Bill 38 read a second time]

Bill 44

The School Amendment Act, 1977

MR. KOZIAK: Mr. Speaker, in rising to move second reading of Bill 44, The School Amendment Act, 1977, I would like to indicate at the outset to the members of the Legislative Assembly that it is not my intention to vote on Bill 44 during the course of second reading or study of the bill in committee or on third reading.

I do not raise that because of the fact that the bill deals with matters of assessment in which public and separate school board supporters would be involved. On that basis, everybody in the Assembly would be either a public or a separate school supporter and would find himself or herself in a position of conflict.

It is specifically with respect to Section 6 that I raise this particular point of privilege, to indicate to members that I am a shareholder in companies involved in the hearings before the court of revision and subsequent legal proceedings, and I feel that I should not vote on the bill because of that.

However, I indicate it's my intention to move second reading and not vote on the bill, having discussed the matter with Mr. Michael Clegg, the Law Clerk of the Assembly, who advises me that it would be in order for me to involve myself in the carriage of the bill through the Assembly because of my responsibilities to the portfolio, but to indicate at the outset the situation I find myself in and my intention to refrain from voting.

In saying this, Mr. Speaker, I would hope that at the conclusion of debate on second reading you will permit me the opportunity to leave the Assembly before the vote is called. And I would hope that the same privilege would be extended to me during the course of committee study of the bill.

Of course when I mention there's personal involvement I shouldn't leave members with the misimpression perhaps that in some way or another I will or won't be paying the tax. That is not the case. The tax will be paid by the companies involved, to whomever is entitled to receive it. The involvement is strictly, perhaps, on a second or third level. But I thought I should raise that so that members would be aware.

The amendments to the act deal with the matter of assessment. Members will recall that on April 20 I made a ministerial announcement in the Assembly indicating that amendments to The School Act would be introduced. These were subsequently introduced under the heading of Bill 44, to provide for the matter of the assessment of corporate property where holding corporations were involved. So we have the amendments to Bill 44 to provide for that situation.

In addition there are amendments to The School Act dealing with the transfer of teachers, dealing with who can supervise a teacher, dealing with temporary

contracts, probationary contracts, and also correcting an oversight that appeared as a result of an amendment to The School Election Act last fall which eliminated the British subject as a qualification for an individual to seek office as a public school trustee.

Unfortunately, at the time that elimination was made we were of the impression in this Assembly that we were preparing for the elections of school trustees this fall. The amendment to the act was therefore a preliminary amendment necessary to set the stage for qualifications for those people who will be running this fall.

However, we all appreciate the intricacies of legislation. Sometimes there are other sections which hang on the ones we are amending. As it turns out, The School Act provides that in order for a school trustee to be eligible to continue to hold his seat he must be eligible to run in the first place. So in making that amendment last fall we were in the position of having possibly created a situation where those trustees who were British subjects, not Canadian citizens, who had properly sought election, who were properly elected in the elections approximately three years ago, would now find themselves in an untenable position. The amendment that appears in Section 7 is there to correct that, to ensure that those trustees who initially were properly elected weren't then adversely affected by the amendment we passed last fall.

Perhaps I can follow the precedent of the House Leader when in dealing with Bill 40, The Agricultural and Recreational Land Ownership Act, he referred also to those things that were not in the bill.

There are a couple of areas I would like to refer to that are not dealt with by Bill 44, in the area of assessment. The first area deals with the right of the individual to allocate the assessment of real property to either of the two boards. Hon. members, probably particularly from the city of Calgary, will have followed the situation that existed there, now known as the Schmidt case where — and that's not one of the Schmidts seated in this Assembly . . . A Roman Catholic individual by that surname moved from the province of Ontario to the city of Calgary and wished his taxes to be directed to the public system which his children would be attending. That particular situation reached the courts. The courts decided that under the Alberta act the provisions dealing with separate schools protect not the rights of individuals but the rights of the minority as a class, and concluded that Schmidt, while a Roman Catholic, could not direct his taxes to the public school board.

I looked at that particular situation to see if — as was suggested by editorial writers and some MLAs — there should be an amendment to The School Act to cover that situation, and concluded that no amendment by this Legislature is possible. The rights are entrenched in the Alberta act for the class. We as a legislature today do not have the power to change that. However, I'm sure the situation Mr. Schmidt finds himself in can be easily resolved if arrangements are made between the respective school boards in Calgary not to charge a non-resident or tuition fee for those students who flow from one jurisdiction to another, as is the case in other jurisdictions in the province.

The other area the bill does not deal with is the one raised by the hon. Member for Edmonton Beverly in

the resolution he proposed to this Assembly. That is with respect to the allocation of corporate assessment, where the shareholders are not known, on the basis of students taught rather than on the basis of an existing split in the assessment between the two boards.

Examples of how this situation works are probably useful at this time. For example, the Lethbridge Roman Catholic Separate School District probably finds itself, of all urban separate school districts, in a situation closest to the assessment situation most desirable, from a school board's point of view. As of September 30, 1976, they have 21.3 per cent of the students in Lethbridge and 20.5 per cent of the assessment. When they levy their supplementary requisition for the purpose of providing services to students, the base upon which they rely is very close to the proportion of students they have.

The situation is very similar in St. Albert where, as hon. members are of course aware, the situations are reversed. There the Roman Catholic School District is the public school district and the Protestant is the separate school district. In St. Albert, the Protestant Separate School District has 65 per cent of the students and 62.8 per cent of the assessment. So there again, fairly close, not right on, but fairly close. Contrast that with Wetaskiwin, where the Roman Catholic Separate School District has 16.9 per cent of the students but only 6.7 per cent of the assessment. In Edmonton the Separate School Board has 30.1 per cent of the students, 25.2 per cent of the assessment. In Calgary the separate school system has 20.9 per cent of the students and 13.3 per cent of the assessment.

Mr. Speaker, my understanding is that it would be within the jurisdiction of this Assembly to amend Section 63 of The School Act to provide for distribution of corporate assessment not otherwise capable of being determined on a per-pupil basis, rather than on the present basis. However, that provision is not included in Bill 44 because of the disruption that would create for school systems. I think in the near term we will have to look at the concept put forward by the hon. Member for Edmonton Beverly.

The situation becomes more complex when we look at the town of Fort McMurray, where Great Canadian Oil Sands Limited has a substantial plant with many, many dollars of assessment; where Syncrude has a much more substantial plant coming on stream probably [at] the end of this year with many, many more dollars of assessment. Consider the situation in Syncrude, Mr. Speaker, where the federal government, the province of Ontario, and the province of Alberta have interests. How are we to determine the allocation of assessment between public and separate schools in that situation?

If we divide the assessment on the basis of the present act, we're saying it's property that determines the division of the Syncrude assessment. However, Mr. Speaker, do governments represent property or people? I leave this thought with the members of the Assembly. In time we will have to look at a method whereby the distribution of corporate assessment — particularly in those cases where corporations are unable to determine who their shareholders are, or where you have situations such as Syncrude — should be not on the basis of property but on the basis of pupils, to provide for a fairer distribution.

However, that may have to be phased in. It's something that will require a right degree of timing because of the dislocation to the public school systems that that would create, in losing revenue they now depend and base their expenditure decisions upon. So for that reason, Bill 44 does not deal with that situation. I think we will have to address ourselves to this distribution in the future.

Bill 44 looks at the holding corporation, and provides that a holding corporation can allocate its share of the assessment, if we want to say it in that fashion. The words are much more technical.

While we're on that particular point, Mr. Speaker, I'm sure that hon. members will have spent a considerable amount of time reading the first three pages of Bill 44, trying to follow the process set out there. That is 'legalese', Mr. Speaker. It's the legal language. We have the same thing in education. We have 'educationalese', if you want to put it that way. Very recently I saw a cartoon in which two figures were portrayed. One was definitely Adam, and one was definitely Eve. She had an apple in her hand which she was handing to Adam. The caption under the cartoon read, this is the fruit of cognitive development.

AN HON. MEMBER: Explain yourself.

MR. KOZIAK: Every profession has its own language.

What Bill 44 accomplishes, Mr. Speaker, relative to assessment, is: it requires a corporation that holds property to take into account the express desires of a shareholder corporation in that property-holding corporation in determining the allocation of assessment as between the public and the separate school systems. So a holding corporation has the ability to signify that it is either fully or partially a public or a separate school supporter. From that, the property holding corporation makes the proper division in the notice required, under either Section 60 or 63 of The School Act.

I should not overlook two areas that will be dealt with in committee just so hon. members can be prepared. It is my intention to bring forward an amendment with respect to Section 4 of the bill, where 73.1 is added to the act, [to] remove the words "or consultative". That will come forward during Committee of the Whole study of the bill. Subsections 76, 76.1, and 76.2, which are part of Section 5 of the present bill, will come into effect on proclamation. I will deal with that committee stage of the bill, but I thought I would raise this now so that hon. members would be aware of this.

SOME HON. MEMBERS: Question.

MR. KOZIAK: A number of members are calling the question. I don't know if anybody else wants to contribute to the debate, but again, Mr. Speaker, I would ask that I have liberty to leave the room when the question is called.

MR. SPEAKER: Are you ready for the question?

DR. BUCK: Run, Julian, run.

MR. SPEAKER: It's delightful to have such an athletic Minister of Education.

DR. BUCK: He's not a good minister, but he's athletic.

[Motion carried; Bill 44 read a second time]

MR. HYNDMAN: Mr. Speaker, before adjourning, it has been agreed in discussions that all the Assembly would have no objection to proceeding with government business tomorrow afternoon, which we will then do immediately after considering returns and questions. At 3:30 we would move to second reading

of Bill No. 39, The Legislative Assembly Statutes Amendment Act, followed by other second readings and committee study as time allows.

HON. MEMBERS: Agreed.

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

[The House adjourned at 5:31 p.m.]

