

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Friday, October 14, 1977 10:00 a.m.**

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

MR. LEITCH: Mr. Speaker, I have eight bills to introduce, and I wonder if it might not save the time of the House if I introduce them in one motion rather than eight separate motions.

MR. SPEAKER: May the hon. minister save the time of the House in that way?

HON. MEMBERS: Agreed.

Bill 58
The Alberta Income Tax
Amendment Act, 1977 (No. 2)

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill 58, The Alberta Income Tax Amendment Act, 1977 (No. 2). The principal purpose of this bill, Mr. Speaker, is to extend the royalty tax rebate program to the coal industry. In addition, there are other amendments to bring Alberta's income tax legislation into conformity with federal income tax legislation.

Bill 59
The Tobacco Tax
Amendment Act, 1977

MR. LEITCH: Mr. Speaker, I also beg leave to introduce Bill 59, The Tobacco Tax Amendment Act, 1977. The purpose of this bill is to convert or change the taxation mechanics into metric terms. There will be a slight rounding down of the tax, Mr. Speaker.

Bill 60
The Fuel Oil Tax
Amendment Act, 1977

MR. LEITCH: I also beg leave to introduce Bill 60, The Fuel Oil Tax Amendment Act, 1977. Its purpose is the same as that for the amendment to the tobacco tax legislation, Mr. Speaker, except on this occasion the tax will be rounded up slightly.

Bill 62
The Auditor General Act

MR. LEITCH: Mr. Speaker, I also beg leave to introduce Bill 62, The Auditor General Act. The purpose of this bill is to create the office of auditor general. It proposes significant changes in the role and function of the Provincial Auditor and that office's relationship to the government and to the Legislative Assembly.

Perhaps the principal change, Mr. Speaker, is to eliminate the present Provincial Auditor's pre-audit responsibilities. In addition, the bill proposes a special committee of the Legislative Assembly whose functions would include dealing with the auditor general's budget, and at the request of the auditor general that committee would have the capacity to exempt the auditor general's staff from certain requirements of the personnel administration office with respect to personnel procedures and practices.

The bill also proposes the formation of an audit committee, to be appointed by the Lieutenant Governor in Council, which would act as a contact point between the auditor general's office and the government.

Bill 63
The Financial
Administration Act, 1977

MR. LEITCH: Mr. Speaker, I also beg leave to introduce Bill No. 63, The Financial Administration Act, 1977. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

This bill, Mr. Speaker, will replace and bring up to date the present Financial Administration Act. Its second and most important purpose is to transfer to Treasury the pre-audit responsibilities now handled by the Provincial Auditor.

Bill 65
The Utility Companies
Income Tax Rebates Act, 1977

MR. LEITCH: Mr. Speaker, I also beg leave to introduce Bill 65, The Utility Companies Income Tax Rebates Act, 1977. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of the bill, recommends the same to the Assembly.

The principal purpose of this bill is to create a fund into which will be paid the income tax rebates in respect of utility companies. In turn, those rebates will be paid out of the fund to the utility companies, rather than have the moneys flow into and out of general revenue as is now the case.

Bill 68
The Alberta Heritage
Savings Trust Fund Special
Appropriation Act, 1977-78

MR. LEITCH: Mr. Speaker, I also beg leave to introduce Bill No. 68, The Alberta Heritage Savings Trust Fund Special Appropriation Act, 1977-78. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

The purpose of this bill is to authorize the transfer of 30 per cent of the non-renewable resource revenues from the general revenue fund to the Alberta heritage savings trust fund for the fiscal period beginning April 1, 1977.

The second purpose of the bill is to transfer the sum of \$9 million from the general revenue fund to

the Alberta heritage savings trust fund, that being approximately the interest the general fund has earned, or will earn, on the 30 per cent of the funds authorized to be transferred by the legislation, during the period between April 1, 1977 and the time of the transfer.

Bill 69
The Alberta Heritage
Savings Trust Fund Special
Appropriation Act, 1978-79

MR. LEITCH: Lastly, Mr. Speaker, I beg leave to introduce Bill No. 69, The Alberta Heritage Savings Trust Fund Special Appropriation Act, 1978-79. This being a money bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

The purpose of this bill, Mr. Speaker, is to authorize the transfer of 30 per cent of non-renewable resource revenue from the general revenue fund to the Alberta heritage savings trust fund for the fiscal period beginning April 1, 1978.

MR. SPEAKER: The Assembly of course is entitled to vote individually on each of these bills to indicate whether it wishes them to have first reading. If there is some wish that we do that, of course we will proceed that way. If not, I would propose to put all eight of these bills to the Assembly for leave for first reading en bloc.

HON. MEMBERS: Agreed.

[Leave granted; bills 58, 59, 60, 62, 63, 65, 68, and 69 read a first time]

Bill 56
The Forest Development
Research Trust Fund
Amendment Act, 1977

MR. BRADLEY: Mr. Speaker, I beg leave to introduce a bill, The Forest Development Research Trust Fund Amendment Act, 1977. The purpose of this bill will provide for improved direction to the development of forest research in the province.

[Leave granted; Bill 56 read a first time]

Bill 57
The Forest and Prairie
Protection Amendment Act, 1977

MR. SHABEN: Mr. Speaker, I beg leave to introduce Bill No. 57, The Forest and Prairie Protection Amendment Act, 1977. The purpose of this bill is to clarify certain sections of the act as they apply to campfire size, and to add to the provisions of the act the applicability of hamlets.

[Leave granted; Bill 57 read a first time]

Bill 64
The Department of Business
Development and Tourism
Amendment Act, 1977

MR. DOWLING: Mr. Speaker, I beg leave to introduce a bill, The Department of Business Development and Tourism Amendment Act, 1977. The purpose of this bill is to define the responsibilities of the minister so that all functions and activities of the Department of Business Development and Tourism are explicit under the terms of the act.

[Leave granted; Bill 64 read a first time]

Bill 66
The Department of Hospitals
and Medical Care Act

MR. MINIELY: Mr. Speaker, I beg leave to introduce Bill No. 66, The Department of Hospitals and Medical Care Act, 1977.

In response to consistent recommendations from a variety of interest groups and policy seminars which involve citizens, government officials, health professionals, and consultants, this bill incorporates the following purposes: to restore accountability to elected government for hospital and medical care services; to provide a broadened base of input from citizen and professional groups; to re-establish a balance between elected officials and senior civil servants in the decision-making process; to provide a structure in which the departmental, financial, and information-reporting systems could be strengthened; to create an organizational structure which will be flexible to future health care needs; to develop a structure more responsive to citizen and community needs; to establish an organizational framework which recognizes the indivisibility of planning and financing; and finally, Mr. Speaker, to establish a funding structure which will distinguish and strengthen the role of the voluntary groups, and encourage as well local initiatives and incentives that will be rendered accountable to provincial guidelines and standards.

MR. CLARK: What will your excuse be now, Gordon?

MR. SPEAKER: The hon. minister has gone into some length in reciting the merits of the bill. I wonder if it might possibly be a money bill.

MR. CLARK: We're so concerned about costs.

MR. MINIELY: Mr. Speaker, I have not been advised that it is a money bill by the Clerk of the Assembly or ...

MR. SPEAKER: Subject to it not being a money bill, I can put the motion. The hon. Minister of Hospitals and Medical Care has moved that Bill No. 66, The Department of Hospitals and Medical Care Act, 1977, be read a first time. Do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion is adopted.

MR. MINIELY: Mr. Speaker, the Treasurer just advises me — it was not on my list — that it is a money bill. I wonder if I could say that the Honourable the Lieutenant-Governor, having been informed of the contents of Sill 66, recommends the same to the Assembly.

MR. SPEAKER: Will the Assembly agree to rescind the motion just made?

HON. MEMBERS: Agreed.

MR. SPEAKER: Now understanding that the bill is a money bill, does the Assembly wish the bill to be read a first time?

[Leave granted; Bill 66 read a first time]

Bill 67

The Department of Recreation, Parks and Wildlife Amendment Act, 1977

MR. THOMPSON: Mr. Speaker, I beg leave to introduce a bill, being Bill No. 67, The Department of Recreation, Parks and Wildlife Amendment Act, 1977. The purpose of this bill is to give the minister the authority to delegate certain of his powers under acts under his administration, except the power to regulate.

[Leave granted; Bill 67 read a first time]

Bill 71

The Nursing Assistants Registration Act

MR. MUSGREAVE: Mr. Speaker, I request leave to introduce a bill, being Bill No. 71, The Nursing Assistants Registration Act. The purpose of this bill is to repeal The Nursing Aides Act, to incorporate into this new bill the registration of both nursing aides and nursing orderlies, to remove from the Nursing Assistants Registration Board any responsibility with regard to the education or training of nursing aides or orderlies, to restrict their function to that of a registration board for both the aides and orderlies, who will henceforth be known as nursing assistants, and to act as a registration and disciplinary body for nursing assistants.

[Leave granted; Bill 71 read a first time]

Bill 70

The Motor Vehicle Accident Claims Amendment Act, 1977

MR. FOSTER: Mr. Speaker, I beg leave to introduce Bill No. 70, The Motor Vehicle Accident Claims Amendment Act, 1977. This being a money bill, His Honour the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly. The purpose of this bill is to increase the maximum benefits payable under the act, and to provide that interest may be charged on the balance owing to the fund.

[Leave granted; Bill 70 read a first time]

MR. FOSTER: Mr. Speaker, I move that the following bills be placed on the Order Paper under Government Bills and Orders: Bill 56, The Forest Development Research Trust Fund Amendment Act, 1977; Bill 57, The Forest and Prairie Protection Amendment Act, 1977; Bill 67, The Department of Recreation, Parks and Wildlife Amendment Act, 1977; and Bill 71, The Nursing Assistants Registration Act.

[Motion carried]

Bill 75

The Energy Resources Conservation Amendment Act, 1977

MR. McCRAE: Mr. Speaker, I beg leave to introduce Bill 75, The Energy Resources Conservation Amendment Act, 1977. The bill is a recognition of the increase in the number of issues requiring consideration by the Energy Resources Conservation Board, and an increase in the public interest content of the issues, which have resulted in more public hearings of greater length and complexity for the board. The bill authorizes the Lieutenant Governor in Council to increase the membership of the board from five full-time members to seven full-time members, and authorizes the chairman of the board to designate one or more divisions of the board, consisting of three or more members, to conduct any hearing or enquiry or investigation which the board itself could conduct, which means more than one hearing could be in progress at a given time.

[Leave granted; Bill 75 read a first time]

MR. LEITCH: Mr. Speaker, I request unanimous leave of the House to revert to Tabling Returns and Reports for the purpose of filing a designation in respect to the two Alberta heritage savings trust fund special appropriation acts that I've just introduced.

MR. SPEAKER: May the hon. minister have the requested leave?

HON. MEMBERS: Agreed.

head: TABLING RETURNS AND REPORTS

MR. LEITCH: Mr. Speaker, I wish to file with the House a letter from the hon. Premier to me, written pursuant to Section 5(3) of The Alberta Heritage Savings Trust Fund Act, designating me as the member of the Executive Council responsible for the introduction in the Legislative Assembly of Bill 68 and Bill 69, being the Alberta heritage savings trust fund special appropriation acts, 1977-78 and 1978-79.

MR. SPEAKER: I have the honor to table the report of the special committee to appoint a Chief Electoral Officer.

DR. WARRACK: Mr. Speaker, I am pleased to table the Department of Utilities and Telephones annual report for the year ending March 31, 1977.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. McCRAE: Mr. Speaker, it is my pleasure this morning to introduce a distinguished visitor seated in your gallery. Inasmuch as I see two very distinguished persons up there, I'd better indicate who it is I want to introduce this morning. It is the gentleman on the far left, who is the first Chief Electoral Officer of Alberta.

Members will recall that last spring the Assembly established a special committee of the Assembly to select and appoint a chief electoral officer. The committee consisted of members of all parties seated in this Assembly.

The Chief Electoral Officer will be at the forefront in applying new and amended legislation, where his decisions will be precedent setting. Under The Election Act the Chief Electoral Officer manages the conduct of provincial elections and oversees the annual enumeration process. Under The Election Finances and Contributions Disclosure Act, the Chief Electoral Officer ensures the public disclosure of the amount of contributions and expenditures, ensures limits on contributions are adhered to, assures the disclosure of the identity of major contributors, and provides a credit against provincial income tax for contributions.

After extensive advertising by the committee, Mr. Ken Wark was the unanimous choice for this very important assignment. We considered towards 200 applications, and Mr. Wark was the unanimous choice, which reflects well on the quality of the person we are speaking about.

Mr. Wark had a very distinguished career with the Royal Canadian Air Force, including several assignments in western Canada, during which he married a girl from Edmonton. His last posting was as Deputy Commander, NORAD, in Colorado Springs. On retirement he joined the Canadian Arctic Gas organization and is presently residing in Calgary, but will shortly be moving to Edmonton to assume his new responsibilities.

Ken has been involved in community affairs and sports throughout his career, and has had a continuing interest in the political process. He will become well known to all of us in government in the coming years, and I'm sure he carries our best wishes in the conduct of his duties under the two acts. I would ask that you join with [me], Mr. Speaker and members of the Assembly, in welcoming him and wishing him well in his new duties.

MR. TAYLOR: Mr. Speaker, I have real pleasure this morning in introducing two distinguished and very beautiful guests, who are seated in your gallery. One is Mrs. Olga Melnychuk, president of the Edmonton council of women. The other is Mrs. Norma Bicknell, chairman of an *ad hoc* committee of The Provincial Council of Women, studying young offenders. I would ask Mrs. Melnychuk and Mrs. Bicknell to stand and be welcomed by the Legislature. They are not only very keenly interested in women's affairs, but are very keenly enthusiastic about rehabilitating young offenders.

head: **ORAL QUESTION PERIOD****AOC Loans**

MR. CLARK: Mr. Speaker, I'd like to direct the first question this morning to the Minister of Business Development and Tourism, and ask if he's in a position to indicate to the House the value of the loan made by the Alberta Opportunity Company to Willowglen Company in September 1977.

MR. DOWLING: Yes, Mr. Speaker. I am current on Willowglen. It's \$800,000. It may be a few dollars one way or the other.

MR. CLARK: I'd like to direct a supplementary question to the minister. Can the minister indicate to the Assembly whether the Willowglen Company has ever shown a year-end profit, either before or after the loan was made?

MR. DOWLING: Mr. Speaker, I'm not in a position to answer that question. I do know that they are now involved with another Alberta company which will, I understand, add a new arm to their organization, and perhaps [they'll] be in a position to further commercialize their venture.

MR. CLARK: Mr. Speaker, a further question to the minister. Is the minister aware that since the granting of the loan by the Opportunity Company, Willowglen has become delinquent in several of its accounts payable; its credit rating has deteriorated to the point where it has been refused credit by some of its suppliers?

MR. DOWLING: Mr. Speaker, that's rather classified information of that company, and I suppose the Opportunity Company would be aware of it. But if such is the case, I am positive that the private-sector board of directors of the Opportunity Company would also be aware, and will make the necessary adjustments and be in touch with the Willowglen operation.

MR. CLARK: Mr. Speaker, a supplementary question. I assume the minister is unaware of the present financial statement of Willowglen. [interjections]

MR. DOWLING: Mr. Speaker, I think some of the items mentioned by the hon. Leader of the Opposition are private, confidential matters between the Opportunity Company and the borrowing organization of Willowglen.

MR. CLARK: It's \$800,000 of public money.

Mr. Speaker, a further supplementary question to the minister. Could the minister advise the House if a factor in the Opportunity Company loan to Willowglen was Willowglen's claim to exclusive North American rights for production and sale of electronics equipment originally developed by a West German company? Could the minister also advise if evidence was obtained by the Opportunity Company as to whether Willowglen really had the exclusive North American rights?

MR. DOWLING: I cannot advise on that matter, Mr. Speaker, but I can advise that my knowledge of the

Willowglen application and its approval was based primarily on the fact that it was an Alberta company. The principal of the company, Dr. Wright, was associated with an American firm and, as an Albertan, chose to establish an Alberta company. Therefore that had a considerable bearing on the fact that they received the loan in the first place.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Were there ever any discussions between officials of Willowglen or officials of the Alberta Opportunity Company and the minister with regard to the supposed North American rights Willowglen had?

MR. DOWLING: If that was part of their process of selling the application, Mr. Speaker, I would imagine that that would have been dealt with, but of course I have no knowledge of that. The Opportunity Company simply works this way: anyone in Alberta who feels they have a viable operation, or rather wants to apply for a loan to the Opportunity Company, can come to my office and receive information regarding the Opportunity Company. I will provide that information and the application form to them. Once that happens, that's the last I see of them. The matter is dealt with by the Opportunity Company and their board. However, in the event the application is of a magnitude larger than \$500,000, I am then briefed on that application and take it forward to a cabinet committee and eventually to cabinet for approval or rejection.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is the minister aware that Willowglen were refused contracts even when they submitted the lowest bid, the prime example being Syncrude's refusal to award a large contract to Willowglen even though Willowglen had by far the lowest bid? Is the minister aware of this?

MR. DOWLING: Yes, Mr. Speaker, I am aware of that. I think it was discussed in the House earlier, perhaps last spring or even the fall before that. What occurred — we did examine that item because there was some complaint that Albertans were not participating in the Syncrude operation to the extent possible. We engaged a person from the University of Alberta, also named Dr. Wright, to do an outside assessment of what Syncrude was doing. Dr. Wright came up with the view that Syncrude's approval for a bid other than the Willowglen one was correct.

MR. CLARK: A further supplementary question to the minister. Would the minister confirm to the House that the basic reason for Syncrude not accepting Willowglen's lowest bid, and the independent consultant agreeing with Syncrude's decision not to accept Willowglen's bid, was the performance rating of Willowglen?

MR. DOWLING: I wouldn't be in a position to suggest why the Syncrude organization refused the bid, except that we provided Dr. Wright to do an assessment and assist our Department of Business Development and Tourism and the Opportunity Company in their efforts to assure ourselves that Albertans were receiving at least an option to participate, and that the

Alberta content in the Syncrude operation was as high as possible.

MR. CLARK: Perhaps I didn't make the question clear to the minister. Would the minister confirm to the House that the basis for the independent consultant, engaged by the minister's department to check out Syncrude's refusal of Willowglen's lowest bid, agreeing that Syncrude had made the right decision in rejecting Willowglen's bid was the performance rating of Willowglen?

MR. DOWLING: That's totally incorrect, Mr. Speaker. The purpose of Dr. Wright being engaged from the university community . . . [interjections] If the hon. Leader of the Opposition would pay attention, I'll answer the question. The purpose of Dr. Wright being engaged from the university was to determine whether in fact Alberta entrepreneurs had been given adequate opportunity to participate in a particular contractual arrangement, and if the Alberta content in this particular arrangement was as high as it should be. That was the purpose of Dr. Wright's involvement.

MR. CLARK: Mr. Speaker, I'd like to ask one further question of the minister. Was the Alberta Opportunity Company, as prime creditor of Willowglen, consulted by Willowglen about the decision to issue \$1.4 million of treasury shares which were purchased by the Alberta Energy Company?

MR. DOWLING: Mr. Speaker, that also is a private sector matter. Since it's a private company, if the Energy Company wants to engage in purchasing shares in a company, that surely is a private matter which I'm not in a position to disclose. If the loan is granted to a company, the Opportunity Company is there to administer that loan and take care of the interests of Albertans with regard to that loan.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is it the position of the minister that when the Alberta Opportunity Company had approved a \$1 million loan to this company — and there are at least eight other Alberta-based companies in the electronics industry — and with the Alberta Energy Company having \$75 million of the public's money involved in that company, did the Alberta Opportunity Company approve the takeover of Willowglen by the Alberta Energy Company?

MR. DOWLING: Mr. Speaker, my knowledge of that is this: I do know that the Opportunity Company is concerned about the best interests of Albertans and the money that is devoted to that operation. Therefore in the discussions with regard to Willowglen selling some of their shares, the Opportunity Company received the assurance that once the transaction was completed, the funding or the loan would be taken over by a private-sector bank. That is now in the process.

But I get the distinct impression, Mr. Speaker, that the hon. leader is not truly in favor of Alberta companies nor new things being brought into existence.

SOME HON. MEMBERS: Oh, oh.

MR. CLARK: That's not the first time the minister's been wrong.

Mr. Speaker, I'd like to direct a supplementary question to the Minister of Consumer and Corporate Affairs. In light of the statement made by the corporate secretary of the Alberta Energy Company that the Alberta Energy Company will funnel all its future oil- and gas-related electronic requirements through Willowglen, and considering that this would give Willowglen a captive market, to the detriment of at least eight other Alberta electronics companies which are in competition with Willowglen, has the Minister of Consumer and Corporate Affairs investigated this matter, or will the minister investigate this matter, with regard to the effects on at least eight other Alberta-based companies?

MR. HARLE: Mr. Speaker, I'm a little at a loss to see the tie between the transaction being mentioned and the responsibilities of this portfolio.

MR. DOWLING: Mr. Speaker, if I might respond further on that item. I get the impression the hon. leader believes there is only one loan to a company of this kind. There has been a second loan. It was granted in 1976 to a firm called Universal Control of Edmonton. Some of the principals of that company, Mr. Speaker, are also principals of one of the Calgary companies he's obviously speaking on behalf of. The loan was for something like \$500,000. They also received a PAIT grant, Mr. Speaker, which indicates in my view that the Opportunity Company is really trying to promote the electronics business regardless . . .

MR. SPEAKER: Order please. As the House has probably noticed, there has been a very considerable latitude in both the questions and the answers in the exchange we've just had, probably overstepping the borderline between questioning and debate. However, hon. members have been very patient in not raising points of order. Perhaps we shouldn't continue with the practice.

Anti-Inflation Program

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Provincial Treasurer, and ask whether the government has made any determination as yet with respect to the restraint program, and the funding for the forthcoming year.

MR. LEITCH: Mr. Speaker, that's a matter that is under active consideration at the moment. I expect to have more to say on that sometime in the future.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Provincial Treasurer. Can the Provincial Treasurer advise the Assembly whether the government's position with respect to the continuation of the restraint program is tied directly to the question of whether Alberta remains in the anti-inflation program?

MR. LEITCH: No, it isn't, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Provincial Treasurer. Can the Provincial Treasurer give the Assembly some indication as to the date? For example, is it likely to be in the next two or three weeks during this fall session?

MR. LEITCH: Mr. Speaker, I would not at this time be able to give an indication of the date on which I may be able to make a more definitive statement about the restraint program.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Provincial Treasurer. In the restraint program, is the government giving any consideration to a degree of flexibility that would take account of varying costs in different parts of the province, as opposed to flat, across-the-board increases?

MR. LEITCH: Well, Mr. Speaker, all matters relevant to the restraint program are being given consideration.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Provincial Treasurer. In light of the lower wage settlements authorized in year three of the anti-inflation program, is it the government's intention at this stage to allow a rate of increase equal to last year, lower than last year, or in general line with the anti-inflation program?

MR. LEITCH: Mr. Speaker, I thought the answers to the earlier questions would indicate to the member of the House that those matters are under consideration and no decisions have yet been reached. When they are, I'll be able to make an announcement about them.

Suffield Block — Oil Production

MR. MANDEVILLE: My question is to the hon. Minister of Energy and Natural Resources. Could the minister indicate whether negotiations are being carried on with the federal government with regard to oil rights on the Suffield Block?

MR. GETTY: Mr. Speaker, negotiations wouldn't be carried on with the federal government with regard to oil rights, but rather with regard to surface operations to allow the development and production of oil from the Suffield Block. The fact is that an agreement is presently being negotiated with the federal government, under the direction of the Department of Federal and Intergovernmental Affairs and in conjunction with the Alberta Energy Company.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is the Alberta Energy Company drilling or producing oil on the Suffield Block at the present time, or have arrangements been made with surface rights as far as oil production is concerned?

MR. GETTY: Mr. Speaker, the original surface agreement in the Suffield Block provided for natural gas production. But as a result of the exploratory drilling which has been carried on in the Suffield Block by the Alberta Energy Company through farmouts and the discovery of oil, there has been a need to arrange an

additional agreement for production of oil in what appears to be fairly large commercial amounts. Nevertheless, some oil was produced in the course of assessing the extent of the reservoir.

So some oil has been produced and marketed in assessing the extent of the reservoir, but for full-scale production there has to be a new surface agreement to enable the military operations to be co-ordinated with the type of production facilities you need in oil production. From my understanding in discussions with the Minister of Federal and Intergovernmental Affairs, I feel the agreement will be completed very shortly.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Will the Alberta Energy Company be conducting any drilling programs outside the Suffield Block for oil or gas?

MR. GETTY: No, Mr. Speaker.

Juvenile Detention

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Social Services and Community Health. In view of the recent changes in The Child Welfare Act, particularly that which now permits confinement of juveniles ordered by the director or the courts, what progress is being made in providing security units to handle this section?

MISS HUNLEY: Mr. Speaker, before proclamation of the act, effective October 1, we did an assessment of all the agencies either provincially owned or those with a contract with the provincial government. We found that 110 spaces were available which could be satisfactorily converted to closed units. In the meantime, we are also expediting a special assessment of what other type of closed institution might best serve the needs of children who are in conflict with the law.

MR. TAYLOR: Supplementary to the hon. minister. Are the 110 units in Calgary and Edmonton, or generally spread throughout the province?

MISS HUNLEY: I'd prefer to check my notes on that, Mr. Speaker. I believe there are a number throughout the province, but they would principally be in the two metropolitan cities. I think that's reasonable, because that's where the largest number of people are. When possible, we like to keep children as near to their parents as possible in the hope that we can maintain family ties.

MR. TAYLOR: One further supplementary question to the hon. minister. Are the additional units being provided based on an age of 16 or 18?

MISS HUNLEY: The additional units conform with the present situation in Alberta, in which males are juveniles until age 16, females until age 18.

MR. TAYLOR: Could I ask one supplementary of the hon. the Attorney General? Has any decision yet been made by the government in regard to establishing an age?

MR. FOSTER: Mr. Speaker, I think I have said before in this House that there seems to be general consensus that the age for male and female should be the same. But to date no firm decision has been taken by the government. Some time in the next couple of weeks I expect to receive report No. 3 of the Kirby commission dealing with juveniles, following which I am confident we will have more to say on the subject.

DR. PAPROSKI: A supplementary, Mr. Speaker, to the Minister of Social Services and Community Health. I wonder if the minister would indicate to the House whether juveniles who are in conflict with the law could in fact be kept until adulthood, if need be, under this section in the new legislation?

MISS HUNLEY: Well, the new legislation applies. I think that legal interpretation should be given by lawyers and not by me.

DR. PAPROSKI: A supplementary, Mr. Speaker. Then the question is: if in fact the legal interpretation can state that the juvenile should be kept for an indefinite period, is there power under the legislation to continue to keep that child as a ward, if you wish, until adulthood?

MR. SPEAKER: The hon. member's solicitor-and-client consultation is continuing.

Hospital Construction

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Hospitals and Medical Care on the policy decision regarding a temporary hold on hospital construction. I wonder if the minister would indicate to the House why this hold on construction has in fact been released for a few hospitals in Alberta?

MR. MINIELY: First, Mr. Speaker, it has not been released for a few hospitals. It has been released for two: High River and Hinton. I indicated in the House at the time we announced the holding pattern in the spring sitting of the Legislature that it was based on a province-wide concern with respect to the very substantial rise in costs that had been experienced over a period of four to five years, but that there would be an element of rough justice in a holding pattern like that; [that] I would be meeting with all the boards affected by the holding pattern; and that there would be a progress report in the fall, which I will be saying more about in the course of debate on the departmental bill, with respect to hospital construction.

But the two hospitals we have removed from the holding pattern have been removed on an assessment of the merits of the case, which is a combination of factors, being the population growth the communities have experienced and are projected to experience and, in the case of High River, the very substantial senior citizen population. I think High River, as an example, has the largest population growth percentage in the province, and also has a very high proportion of senior citizens, who of course require access. So it's a judgment factor that those two are unique situations and should be allowed to proceed as normal.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister would indicate to the House whether there is any intention to release that hold for any other hospital construction up the present time.

MR. MINIELY: No, Mr. Speaker. The answer is: to the present time it is not my intent to recommend to my colleagues the removal of any further projects from the holding pattern.

DR. PAPROSKI: A final supplementary, Mr. Speaker. I wonder if the minister would indicate whether he is intending, in his new policy direction next June, or approximately that time, to allow local municipal participation in hospital costs and operation beyond a certain level that he may establish.

MR. MINIELY: Mr. Speaker, I think that is getting into a policy matter which relates to a lot of other policy matters that I hope to be speaking about to the House during the course of debate on Bill No. 66, The Department of Hospitals and Medical Care Act, also during the course of debate on my colleague's Alberta heritage savings trust fund appropriations, because it relates to a lot of other policy areas that I would outline to the House at that time.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether any changes have been made with respect to the termination of the holding pattern? Or is he in a position to announce when that will be lifted?

MR. MINIELY: Mr. Speaker, the hon. Member for Spirit River-Fairview will recall that the holding pattern was until March 31, 1978. I will be saying more about the problem of hospital construction and hospital facilities in Alberta that we have experienced over the last four to five years and will be elaborating on some specific measures, that I will be reporting to the House, on the improvement of the control, recognizing our objectives are to build quality facilities but at reasonable cost to the taxpayer. Underlying is the fact that there are signs which indicate we are overbuilding and overdesigning and over cost. It's getting beyond reason.

I'll be saying more, definitively, about that during the course of discussions on the departmental bill and on the heritage savings trust fund health care projects.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. Is it the intention of the government at this stage, or is it still under review, to extend the holding pattern beyond March 31?

MR. MINIELY: Mr. Speaker, at the present time the only thing that is definitive is that the holding pattern is till March 31, 1978. To this point there has been no thought by me of extending it beyond that date or of shortening that date.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In answer to the second-last question, the minister indicated we had overbuilt. I wonder if the minister would indicate to the Assembly

what areas of the province are we overbuilt in as far as hospital facilities are concerned?

MR. MINIELY: Mr. Speaker, I can only recommend to the hon. Leader of the Opposition that he undertake a tour of hospital facilities throughout Alberta to the degree that I as minister have, especially some of the new ones. I think he would have questions as to what is happening in terms of the design and some of the things that are included in some of our new facilities.

I think there is a need for a balance, as I say, between the need for quality facilities but at reasonable cost to the taxpayer. Because simply what we are now and have been experiencing over the last four years raises question of responsibility. As I have indicated, I will be saying more, definitively, about that as to the long-term solutions during the course of debate on the departmental bill and during the course of discussion on the heritage savings trust fund.

Planning Act

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Municipal Affairs. I have been receiving many inquiries and complaints regarding a very complex bill — hearings have been held — with reference to the right of entry. I wonder if the minister in fact has received any petitions, that I know have been circulated.

MR. JOHNSTON: Mr. Speaker, I'm not altogether sure of the question — whether he's commending the bill or talking about the kinds of reaction we've had, the very positive reaction we've had, or asking me whether or not we've received petitions. On the latter point, we have received numerous letters, both pro and con, recommending and suggesting changes. I'm sure those will be revealed when the amendments are introduced sometime next week.

MR. KUSHNER: Supplementary question, Mr. Speaker. This is in reference to the right of entry to properties. The confusion here, Mr. Minister, if I may use that expression, is that the new act, as I understand it, has been improved and is in fact protecting the owner. The old legislation in fact permitted bureaucrats to enter the property.

MR. JOHNSTON: Mr. Speaker, normally on a question affecting an amendment, I would suggest we delay it until the amendments are introduced. Perhaps I could just on principle clarify and express my agreement with the member that the section on right of entry has been misunderstood. Let me very carefully outline that this is not an open opportunity for a servant of the municipal government or the provincial government to enter or to trespass upon private property. As you will see when the amendments are provided, indeed the right of entry is a very necessary section. But overall the rights of the individual are protected, and the consent of the individual is required before entry can be made on his property.

MR. CLARK: Is that what they told you in Claresholm?

Enoch Land Development

MR. PURDY: Mr. Speaker, I'd like to address a question to the minister responsible for native affairs and ask if he has received a copy of a petition that was presented to the city council by an unidentified group regarding the Enoch development west of Edmonton?

MR. BOGLE: Yes, Mr. Speaker.

MR. PURDY: A supplementary question to the minister. Will the minister be taking the same action that the city council has?

MR. BOGLE: Mr. Speaker, the petition referred to by the hon. Member for Stony Plain does not have a sponsor that I'm aware of. I've looked at the petition. I consider it defamatory and the worst kind of bigotry, and I'm pleased to see the Enoch band looking at it and taking the very positive attitude to deal with it as it should be dealt with.

MR. PURDY: A supplementary question, Mr. Speaker. I concur with the minister's remarks just a minute ago. Has the government given full support to the Enoch development?

MR. BOGLE: Mr. Speaker, in principle the government has given full support to the proposal. There are some very important questions as to jurisdiction which have yet to be resolved. A letter has been sent by the Minister of Federal and Intergovernmental Affairs to his federal counterpart requesting an early clarification of these concerns. We have met and discussed them with Chief Jim Brule of the Enoch band and members of his council. They concur in the province's position. They understand why we're taking the action we are. Although we wish the development to proceed in an orderly and proper manner, we are concerned that at the present time there are a number of gaps as to the rights of the people who might be leasing property on the Enoch Reserve as to school jurisdiction, hospital, and other such services.

MR. PURDY: A supplementary question, Mr. Speaker, to the minister. Has the minister any information whether the federal government has given full support to this development?

MR. BOGLE: The counterproposal, Mr. Speaker, from the federal government was that we should establish a committee of officials to examine the situation further. Our response as a provincial government has been no; that's something that should be discussed at the ministerial level, in full consultation with the chief of the reserve, at the earliest opportunity.

MR. YOUNG: A supplementary question, Mr. Speaker. In view of the government's position, has a decision been made on the responsible body in terms of provision of services, transportation, and others?

MR. BOGLE: Not at this point in time, Mr. Speaker.

Workers' Compensation — Treatment

DR. WEBBER: Mr. Speaker, I'd like to direct my ques-

tion to the Minister of Labour. Is the minister's department or the Workers' Compensation Board giving consideration to the use of medical facilities in the Calgary area for the treatment of injured workers covered under The Workers' Compensation Act, rather than having many of these workers come to Edmonton for treatment?

MR. CRAWFORD: Mr. Speaker, in order to be fully up to date on any consideration the board might be giving to that point, I would have to check with the board, and would be pleased to do so for the hon. member. Certainly the board has discussed with me the fact that the sole rehabilitation facility actually operated by the board is located in Edmonton, and they would like to have alternative facilities in other parts of the province more closely related to the workers who may be injured in other parts of the province. However, I am satisfied that where possible, in the sense that they use the private-sector medical practitioners and use rehabilitation services available in general hospitals — to the extent possible, that type of follow-up rehabilitation and medical assessment is done closer to the actual location of the worker than might be suggested by the fact that they have only one actual facility in Alberta.

Subsidized Mortgages

MR. NOTLEY: Mr. Speaker, I would like to direct this question to the hon. Minister of Housing and Public Works. In view of the rather generous campaign planks of various civic candidates concerning the heritage trust fund in the upcoming municipal election, my question to the hon. minister is: have there been any formal discussions between the Department of Housing and Public Works and civic officials concerning a province-wide second mortgage program at a subsidized interest rate?

MR. YURKO: Mr. Speaker, not to my knowledge.

Forage Supply

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Is his department carrying out any assessment of areas in Alberta which may be short of hay for this coming winter?

MR. MOORE: Yes, Mr. Speaker. I just received a report from the six regions of the department, which stretch from southern Alberta to the far north, with respect to the availability of forage supplies. I'm now assessing whether in fact there are areas sufficiently in surplus to provide for the shortfall that may occur in other areas.

I can say generally that the area south of Olds is short of feed supplies, with the exception of the irrigation districts around Brooks and one or two other areas in southern Alberta where there are in fact surpluses for the immediate needs of that area. During the course of the next two or three weeks we expect to be having additional discussions with the federal government relative to the transportation of forage, and it may be, Mr. Speaker, that before the conclusion of the fall session I'd have something further to say on that.

Coal Sales to Ontario

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. What progress are we making in getting Alberta coal into Ontario?

MR. GETTY: Mr. Speaker, Ontario Hydro has signed a long-term contract with companies who are developing coal in Alberta. It appears there will be a substantial amount of coal flowing to Ontario to generate electricity, as soon as transportation facilities are adequate to carry the supplies.

AOC Loans (continued)

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Business Development and Tourism. Is it still true the Alberta Opportunity Company gives loans to companies only when loans are denied by other financial institutions, or has that policy been changed?

MR. DOWLING: No, Mr. Speaker, that is correct policy. There has to be a refusal from a normal financial institution before the Opportunity Company will consider a loan application. They will look at it, of course, but there will be a requirement of refusal by a normal loaning institution. I don't want to promote this too much, but it is a financial institution which is supposed to be in the risk area. Therefore if refusals are received from a normal institution, it would automatically follow that perhaps it is a little too high risk.

DR. PAPROSKI: Supplementary, Mr. Speaker. Does that refusal have to be from just one, or more than one, financial institution?

MR. DOWLING: No, Mr. Speaker, it normally is more than one. The first thing the Opportunity Company officials do is check to see whether that refusal is legitimate or not. It's very easy if you know John the bank manager to go to John and say, I want a refusal. But the Opportunity Company very quickly checks it out to see whether it is in fact a legitimate refusal.

DR. PAPROSKI: Mr. Speaker, I wonder if the minister would confirm if it is still true that the Alberta Opportunity Company is a special loan facility for small- and medium-sized businesses found nowhere else in Alberta? There's nothing to compare to it.

MR. DOWLING: That is correct, Mr. Speaker. The hon. members should know that 70 per cent or more of the loans are of low magnitude. The vast majority are low magnitude, in the \$40,000 area. I think that's the mean. You should also know that about 70 per cent of those loans are given to firms outside the major urban areas. I know of no financial firm that has a similar kind of mandate.

DR. PAPROSKI: Supplementary, Mr. Speaker. Would the minister indicate to the House what percentage of these loans to date, or in the past year, are in default, considering the high-risk opportunity the Alberta government is taking?

MR. DOWLING: I couldn't tell you the actual percentage, Mr. Speaker. I can say that the loss ratio last year was indicated in the annual report at approximately 5 per cent. We expect that it could go higher. We are in a risk area. There will be failures. It's our hope that the failures are not large in magnitude, individual loans being large. But we are in the 5 per cent area at the moment.

DR. PAPROSKI: Mr. Speaker, I wonder if the minister would indicate to the House how this 5 per cent relates to other financial institutions' defaults.

MR. DOWLING: I couldn't be exact. I think the Provincial Treasurer would be better able to answer that, Mr. Speaker, but I believe the normal institutions have a loss ratio approximating 1 per cent.

DR. PAPROSKI: [Inaudible] per cent collateral. Finally, Mr. Speaker, would the minister indicate if it is true that many Alberta companies would not exist today if it were not for the Alberta Opportunity Company?

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please. The hon. member's efforts are becoming more and more obvious.

Water Management — Pembina

MR. ZANDER: Mr. Speaker, the question requires some explanation. My question is to the hon. Minister of the Environment. In view of all the difficulties and hardships encountered over many years by the residents at the junction of the Paddle and the Pembina rivers, has the Department of the Environment ever followed up on the studies done by the former government of putting a dam on the Pembina River south of Evansburg in order to control the Pembina River and allow free flow of the Paddle River?

MR. RUSSELL: Mr. Speaker, I think the hon. member is probably aware that following the ECA hearings, the government did come up with a program involving some \$20 million to \$25 million worth of capital expenditure. Before we make the final decisions on that, we have been working with a local citizens' advisory committee, because I think a number of fairly important issues are involved. From the reports and minutes I've been getting, they're well on their way to making decisions with respect to a variety of dams and channelling features for those two rivers.

MR. ZANDER: Supplementary question to the hon. minister. Is the land south of Evansburg, purchased by the Crown at that time, still held by the Crown, or has it been returned to new owners?

MR. RUSSELL: Mr. Speaker, I could check on individual parcels for the hon. member. The general policy in cases like that, where we buy land for reasons of flooding, is to buy it and then lease it back to the vendor.

MR. ZANDER: Mr. Speaker, I don't think the minister understood my question. Is the land that was

acquired by the former government in the name of the Crown still Crown land, or has it been sold or disposed of?

MR. RUSSELL: Mr. Speaker, if the hon. member would like to give me the description of the land involved, I'd be glad to answer the question. It's probably a good question for the Order Paper.

ORDERS OF THE DAY

head: **GOVERNMENT MOTIONS**

3. Moved by Mr. Lougheed:

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

[Adjourned debate October 12: Mr. Clark]

MR. SPEAKER: With great respect, and regret for interrupting the hon. Leader of the Opposition, hon. members may wish to know that I have received information according to which the funeral of Mr. Larry Blain will take place this afternoon. Mr. Blain was the man who designed the beautiful Mace that we're privileged to use in this Assembly.

MR. CLARK: Mr. Speaker, I welcome the opportunity to take part in the debate this morning. I should say to the hon. members that it's my intention to be reasonably brief. I hope in the course of my comments — I said it was my intention to be reasonably brief; however, looking at the disappointment on the faces of some of the members of the front bench I could perhaps extend that somewhat, if my voice lasts that long.

Mr. Speaker, it is my intention to touch on basically five areas in the course of my comments this morning. First of all I'd like to discuss the northern pipeline; secondly, I would like to deal with some of the priorities that my colleagues and I look at, as far as this session is concerned. My colleagues Mr. Mandeville and Dr. Buck will be taking part in the debate, I believe on Monday, and will be outlining those areas in more detail at that time.

Thirdly, Mr. Speaker, it's my intention to review at least some of the government's activities, from the standpoint of an effort on behalf of the government to centralize more power in the hands of the cabinet during the last six months to a year. Fourthly, once more I'd like to warn the government about the potentially very dangerous situation it's finding itself in: the conflict of interest between the public interest in this province and the government's equity interest, when those two points of view aren't the same. And fifthly, to conclude my remarks with some comments with regard to national unity.

Mr. Speaker, I would be remiss if I didn't, at the outset, say to the Provincial Treasurer how pleased I was that the Auditor General's legislation was introduced this morning. I have not yet had an opportunity to look at that legislation. I have some fear, when the Provincial Treasurer indicated this morning the removal of the pre-audit function. Nevertheless, we

on this side of the House, and some of those who were on this side before they got to the other side of the House, have long advocated the idea of an Auditor General in this province. On the general principle, I commend the government for moving in this direction, after what I'd like to consider was some pretty reasonable prodding over a period of four years.

Mr. Speaker, with regard to the northern pipeline and events in that area, my colleague Mr. Mandeville and I took the opportunity in the summer of this year to spend four days in both the Northwest Territories and the Yukon. In addition to meeting with representatives of a variety of native groups in the area [and] business leaders, we also had the opportunity to meet with Commissioner Hodgson of the Northwest Territories and Commissioner Pearson of the Yukon.

Basically the purpose of our trip was to appreciate better the aspirations of our neighbors to the north, both the Northwest Territories and the Yukon, to appreciate better the opportunities Alberta has in being a logical gateway to the north; I think also to look at areas of co-operation that Alberta, the territories, and the Yukon can work together in; certainly to attempt to appreciate better some of the native concerns. I'd be less than fair if I didn't take this opportunity to thank those people we met with during that time for the very frank, open, and straightforward manner in which they discussed a variety of matters with us.

It seems to us that Alberta is a natural ally of the territories and the Yukon and that we shouldn't miss the opportunity to take advantage of developing that link between the Northwest Territories, the Yukon, and Alberta. When the northern pipeline announcement was made, we welcomed it. I think all members in this Assembly appreciated very much the importance of Alberta Gas Trunk in playing a very leading role in those decisions made. I'm sure also that this pipeline will do much to benefit the province of Alberta.

However, Mr. Speaker, it became very obvious to my colleagues and me during the spring session that basically the Alberta government was not prepared in the spring session last year for some of the important decisions and recommendations that had to be made, as far as Alberta's participation and looking after Alberta's interests in federal government decisions with regard to this pipeline [are concerned].

I think it's fair to say that the Alberta government, following the spring session, tried valiantly. The Department of Business Development and Tourism and other government departments tried valiantly to catch up in an area where they really had not been on top of the situation.

But I think, Mr. Speaker, we've seen in this House, both Wednesday and yesterday, that the Alberta government really was not prepared to take the kind of role it should have taken in negotiations between Canada and the United States with regard to this northern pipeline. Alberta should have been very actively involved in those negotiations with regard to the pipeline coming through Alberta, because Alberta has a very unique and a very important interest in this particular area. I noted with considerable interest the Premier reading into the record a portion of the release from the St. Andrews conference, when he said, "It [was] entirely appropriate for the provinces to assume a more prominent role in Canada-U.

S. relations".

I asked the question again today, Mr. Speaker, as I asked it yesterday: in light of that attitude by the provincial government, shared by other provinces, in light of the Prime Minister's speech from Winnipeg in the early part of this year, why didn't the government of Alberta request of the federal government that an Alberta cabinet minister be involved in those negotiations at Ottawa and at Washington?

Mr. Speaker, I think there's good reason to believe that had Alberta been on top of the situation and had Alberta requested of the federal government Alberta cabinet minister representation in those discussions with the United States of America, the Canadian government would have agreed. Here at the very least was an opportunity for us as Alberta to take the Prime Minister at his word — the words he uttered in Winnipeg in the early part of this year when he talked about him and his federal government attempting to understand better the problems of the west. Mr. Speaker, in our judgment we missed a glorious opportunity here, not only to take the Prime Minister at his word but also to have a very important voice in those negotiations.

I note with some interest the letter filed in the House on Wednesday from the Premier to the Prime Minister. I suppose one could summarize the letter by really saying, now that the decision has been made it's time to talk to us. Mr. Speaker, I can't understand why the Alberta government did not request that kind of involvement in these negotiations, unless the Alberta government in a few months or perhaps a year or a year and a half wants to be in a position where it can complain loud and long about the terms of that agreement, unless the Alberta government wants to complain bitterly about the potential gas swap between Alberta and Canada and the United States, if that develops. If the Alberta government is planning to get involved in that kind of argument in six months or a year down the road, I can see why they didn't take the Prime Minister at his word from Winnipeg and why they didn't ask for ministerial involvement in those discussions. On the other hand, if this government is concerned about a new spirit of co-operation within Canada and isn't trying to set up this kind of fight for six months, a year, or a year and a half down the road, why did we miss this opportunity? Why didn't we take that kind of approach?

I know that several members of the present government, in what I'd refer to as very senior positions in cabinet, have advocated that kind of approach previously. As long as 10 years ago, when the Kennedy round of tariff agreements was up for renegotiation, some members of the present government at that time advocated provincial ministerial involvement. In light of the Prime Minister's statement, to have missed the opportunity here I think is having missed a glorious opportunity.

Mr. Speaker, in the second portion of my remarks I'd like to deal with some of the selected priorities as far as the fall session is concerned. The area of our economy that unquestionably is the weakest today has to be agriculture. Alberta's farmers have suffered a deterioration of crop grades as a result of weather in central and northern Alberta; loss of crop to drought conditions, excessive spring moisture, and flooding; difficulties in harvesting due to wet weather

and ground conditions — although those difficulties have improved somewhat since the Legislature opened; that may have something to say about the activities of the Legislature and the wind that's been prevalent in those parts of Alberta where the crop conditions have been serious.

However, Mr. Speaker, in light of these unfortunate circumstances, the official opposition wishes to remind the government that agriculture is historically Alberta's first industry and remains Alberta's most vital and most indispensable industry. We will look to the Department of Agriculture to do something more for the farmers of Alberta than simply devising new ways of going further into debt.

Mr. Speaker, we look forward to — I think it's around the 19th of this month — when the Minister of Agriculture will receive the report from Hu Harries and Associates with regard to the hog marketing situation. We naturally expect that the minister will make the report public and that the government will have some definitive actions in that area.

Mr. Speaker, one of our priorities at this session also will be the question of The Planning Act. Many Albertans are outraged by the extent of arbitrary cabinet authority dictated in Bill 15, The Planning Act. We're equally concerned by the insensitivity of the government to the widespread public reaction against certain sections of this act. When he was in Red Deer recently, the Premier I think used the term that he felt Albertans were "overreacting" to The Planning Act.

It's our intention, Mr. Speaker, to introduce a number of amendments to The Planning Act, specifically to Section 132 but also to other portions. We simply do not subscribe to the view — and we don't believe the people of this province subscribe to the view — that there is need for even more centralized power in the hands of the cabinet as far as planning in this province is concerned. We look forward to what I hope will be a receptive and forthright attitude by the Minister of Municipal Affairs when we look at Bill 15.

Mr. Speaker, with regard to education, one year ago the government indicated it was going to place a priority on the field of education. That was in 1976. Nineteen seventy-seven is coming close to conclusion. Still we really have seen no definite leadership from this government as far as the field of education is concerned.

The recent statement from the minister's office with regard to overall education philosophy spends a considerable amount of time distinguishing between schooling and education — what are the responsibilities of the schools themselves, and what are the responsibilities of a greater society — but really it fails to give any kind of concrete leadership in the field of education. We expect, in fact we demand, that the minister be more explicit in his statement of objectives for Alberta schools, and that he outline plans for systematically moving on this question of back to the basics. What really are the government's intentions now? What kind of leadership is this government going to give to school boards, parents, students, and the teaching profession in the field of education?

Mr. Speaker, moving on to the area of energy and natural resources, and more specifically to the area of the eastern slopes policy, the associate minister pro-

mised us last spring that we would have the eastern slopes land-use policy in our hands by mid-summer. As I suspected, he was a man of his word. We have just recently had an opportunity to get the most final report. But on a cursory look at the policy, the policy statement appears to have no co-ordination of administration of lands now under the jurisdiction of a variety of government departments. There appears to be no clear statement of the status of privately owned lands on the eastern slopes. Thirdly, there appears to be no mechanism cited for pursuing the zoning of private land now under municipal jurisdictions in the eastern slopes. Fourthly, there's no listing of land-use priorities as a basis for resolving conflicts. I think that point is extremely important; there's no listing of land-use priorities.

We look forward to some announcement from the minister of a mechanism for public examination of the policy. We note also, at least in the initial draft, no provision for environmental impact assessment of major development proposals. So to the associate minister: we welcome the land-use policy proposals, but I would draw those six areas to the minister's attention and look forward to his comments sometime during this session.

Mr. Speaker, on the question of matrimonial property. We welcome the announcement made by the Attorney General that the government is going to introduce some legislation during this session, or some sort of paper to let that legislation sit over and be dealt with at the spring session. I hope, Mr. Speaker, that we're not going to get legislation which really leaves this question of matrimonial property to judicial discretion. Because if that's what we're going to get, after 10 years of working in this area — from almost 10 years ago when the Institute of Law Research and Reform first started its efforts in this area — we're now going to get legislation from the government that calls for judicial discretion as far as matrimonial properties are concerned, in essence what we're saying is we're going to be discussing the same kind of legislation that Mrs. Murdoch dealt with when the Murdoch case first gained notoriety in Alberta. If that's the government's proposal, then clearly and simply we've had 10 years of spinning our wheels in this particular area.

Later during the session, it's our intention to introduce legislation dealing with a personal privacy act. We'll have more to say on that during the course of the session.

Mr. Speaker, those are some of the areas we'll be looking at. Of course I would want to draw attention to the reorganization of the hospitals area. I'll have some more comments on that area in just a few minutes.

Now, Mr. Speaker, to look at the government's activities over the past six months to a year: I'd like to discuss the government's activities under a single unifying theme which, I think, characterizes the government's activities in recent months. I'm going to characterize them under the theme of centralization of power within the cabinet. This is a dangerous trend; it's an accelerating trend. It's an erosion of the responsibility of government.

The centralization of power within the cabinet is only one side of the coin, however. The other side is an erosion of the authority and the responsibility of individual MLAs, the legislative committee procedure,

and the Legislature as a whole. The implications of this cabinet centralization go some distance beyond this Legislature. We have examples of withholding information and thereby the denial of the public right to know. We have ignoring of public opposition to government practices, whether such opposition be by individuals or groups, and individuals and groups outside this Assembly.

Thirdly, the manipulation and circumventing, and even the destruction, of various boards and councils originally intended to provide wide public presentation in the political process. The repression of municipal government is evident certainly in two regards: firstly, through the stingy and untrusting attitude toward revenue sharing by this government; and secondly, through overriding legislation where the cabinet takes decisions out of the hands of municipal governments. Sixthly, an attitude toward other governments and toward the federal government which varies from indifference to opportunism to hostility and, on occasion, reflects an absence of any sense of Canada.

In summary, we're witnessing a centralization of power in the hands of the provincial cabinet and a corresponding weakening of those balancing powers traditionally held by individual citizens, organized citizen groups, public boards, and both employers and labor. When I mention labor, I mean organized and unorganized. Equally disturbing, we're seeing the cabinet use this power to assume the position of an adversary, rather than a partner in relation to Alberta's municipal governments.

Looking at the events of the last six months or year in this context, let's review the recent behavior of this government. Here are a few of the things we see: the destruction of the Environment Conservation Authority. Members will hear more about this next Thursday and when the minister brings in the supposed legislation to restructure the ECA. But I would remind the members of the Assembly that this agency was established in 1970 to inquire into any matter pertaining to environmental conservation. I well recall the comments made at that time by members who now take up senior positions in the government, who warned the government of that day about the ECA becoming a toothless agency that the government wouldn't listen to, that would be ineffective, and that there would be appointments of people who wouldn't be objective in their outlook. What do we see seven years later? Some of the very people who were the loudest supporters of an independent environmental agency are the people responsible for pulling the teeth of that agency today.

We've even had a situation this summer where the minister responsible for environment declared, I don't want to hear anything more about it — like somehow the minister could turn off the discussion about the demise of the ECA. Mr. Speaker, I'm here to say that can't be done, fortunately. Not even this government, with all its power and its majority in the House, can stop people inside or outside the House from discussing the ripping apart of the Environment Conservation Authority. Now in 1977 we see the Conservatives remove public representatives from the agency and replace them with the Deputy Minister of the Environment, thereby negating the ability of the agency to question impartially activities of the Department of the Environment. How can the Environ-

ment Conservation Authority, which is supposed to be the environmental ombudsman, look at the activities of the Department of the Environment when in fact the Deputy Minister of the Environment is one of the members of the board?

Secondly, Mr. Speaker, about this question of centralization of power, and ignoring public opinion and expert testimony in locating the Red Deer dam at Site 6. For the past two years the government has received continuous representation from the public and two major reports from the ECA, all unanimously opposing a dam at Site 6 on the Red Deer River. Nevertheless the hon. Minister of the Environment announced the dam at that site. Since that announcement four months ago the public voice has not diminished, and it isn't going to diminish on this question. But the government hasn't heard it. Or if it has heard it, it has chosen to ignore it completely. The position of this government really is that the Red Deer River be dammed at Site 6, and the public be damned at every opportunity. That's the attitude of this government on this question.

When we look back, I think it was in 1974 that the present Minister of Housing and Public Works made comments about where the dam was going to be located. Little did we in central Alberta recognize that the minister and the government had made up their minds way back then. And the minister, in question period here in the House, talked about Site 6 and Site 7 then. In retrospect all we went through in central Alberta on that issue was for naught.

Mr. Speaker, I'd like to move on to the cold-hearted control of Alberta's hospital boards. People in Alberta used to joke about Alberta letting the easterners freeze in the dark. But the real freeze hasn't been in the east in the last six months. It has been in our own hospitals, right here in Alberta. We have been told during the last six months that we've got to freeze hospital construction in Alberta because the costs have got out of control. Yet we have a minister who is fully responsible for the hospitals commission and the health service area and nothing else, a minister who has now had two years to get on top of that area. To be saying now that we have to freeze hospital construction so we can get on top of the situation is an admission that's unbelievable.

Now, on top of the hospital construction freeze, we see increasing intervention by the minister in the funding of hospital boards. In the meantime, of course, we see longer and longer waiting lists for admission to Alberta hospitals. It's great for the minister to say we're overbuilt in some areas, but why doesn't he go out and try to tell that to people? He's told us in the House how hospital boards aren't being critical of him publicly, how they agree. Well let me give you an example of the situation of one hospital board. This summer one of the hospital boards not too far from Edmonton had to close down its operating room for a month. It had to close down its operating room for a month clearly because it didn't have the money to operate.

AN. HON. MEMBER: The doctors were on holiday.

MR. CLARK: Doctors on holidays be darned. They simply didn't have the money to operate the operating room. Yet the minister says, well, it was done by the board. Yes, it was done by the board because of the

attitude of the minister. I've heard the minister tell groups, "Well, you don't hear hospital boards complaining about the things I'm doing publicly". Mr. Speaker, no hospital board in its right mind can complain publicly, because it would be complaining about the very minister who is their lifeblood as far as operating costs are concerned. Hospital boards in this province are caught in the worst bind of any level of local government. And it appears, Mr. Speaker, that it's going to get worse.

Then, Mr. Speaker, there's the imposition of the cabinet order to end the lawful nurses' strike. The recent strike by Alberta nurses was a difficult situation. Concern for patient care had to be uppermost in everyone's mind, and concern for a fair and just settlement had also to be important. It's easy to be critical of the government for what it did in that area. Rather than the government going the route of an order in council, I would have preferred — and I have said this previously in the House — that the government had called the Legislature into session. However, the government moved the route of going by order in council. I would not be so critical of the government in this area if they had acted in good faith when they referred the matter to arbitration. Then they would have supported the arbitrator's decision in a representation to the Anti-Inflation Board. By not supporting the arbitrator's recommendation to the Anti-Inflation Board, I think that in the view of many nurses in this province the government broke faith and revealed its lack of concern for justice in labor relations.

I applaud the announcement the minister made two days ago. But I was somewhat amazed by the government's lack of enthusiasm in going to bat for the nurses with the Anti-Inflation Board. When this government really wants to go to bat, or is in a fight with the federal government, it can do pretty well — has done quite well in the past on several occasions. I give the government credit there. But on the question of going to bat for the nurses in Alberta with the Anti-Inflation Board it seems [the government] backed off. Well, I think they made a serious mistake in that area.

Mr. Speaker, then there is the area of the manner in which the Alberta heritage savings trust fund is administered. Members have heard me make these points previously, and I plan to make them again. The heritage savings trust fund is created out of income from natural resources owned by the people of the province. It has now reached a size comparable to the annual budget of this province and will soon exceed the size of the budget. The budget is appropriated by the Legislature, and expenditures are reviewed by the Legislature. Indeed, if that weren't the case we'd be claiming that there was taxation without representation. Yet that's specifically what's happening with the heritage fund. This Legislature is denied any say in how 80 per cent of the money is committed. Even after the act, the heritage fund committee is certainly denied, in my judgment, some information needed for a full review of the fund. Further spending is then announced, as political goodies, when the Premier and the Tory court make a whistle stop tour of the realm. The 20 per cent of the heritage savings trust fund that the Legislature has any say about at all is not announced here in the Legislature. It's announced out across the province.

In summary, the trust has really gone out of the heritage fund. If we're going to continue to have the Legislature dealt with this way as far as announcements are concerned, we might better refer to it as the heritage slush fund, because that's really what it's becoming.

Now, Mr. Speaker, to move on to what I'd refer to as the government's very [pugnacious] attitude especially toward municipalities. The attitude of the Premier and the government was exemplified by the Premier's statement to the Alberta Urban Municipalities Association. He announced his willingness to discuss any issue at all with municipalities except, that is, the very vital issue of revenue sharing. I would venture [to guess] that perhaps in the budget next spring, or certainly in the budget the following spring, the government will announce that it's not going to go with revenue sharing with municipalities; it's going to tie an increase in grants to municipalities to an increase in the provincial budget each year. Mr. Speaker, if the government were prepared to tie it to a portion of the total income the province gets, that would be a completely different situation. But my guess — and I hope in this case I'm wrong — is that in not too many months we'll hear a government announcement on some auspicious occasion that they are going to tie municipal grants in Alberta to the increase in the provincial budget.

We heard the Premier indicate earlier this week that, rather than move away from conditional grants, the government is now basically saying it is going to continue a sizable number of conditional grants. This isn't going to give municipal governments, urban or rural, the kind of flexibility that's really needed.

I think the people in this province have a right to expect the three levels of government — federal, provincial and municipal — to work together to provide, in aggregate, the optimum delivery of government services. I suppose one could make the comparison of a person hiring a number of employees to do different jobs. He expects them to get along and get the job done.

But on some occasions our provincial government clearly places itself above serving the people it's supposed to represent. This is manifested, in my judgment, in domination of municipal governments. Indeed, the government exploits its quarrels on occasion, Mr. Speaker, to promote its own image as a government which fights for the rights of this province. As I said earlier in my remarks today, this government has proven on occasion that it can do an excellent job in combatting the federal government. But why did we not look after Alberta's interests on the pipeline in a far more reasonable manner? Why haven't we gone to bat for the nurses in this province in a way that we can?

Mr. Speaker, I found it very interesting that when the negotiations on the pipeline were going on with Ottawa and Washington, when Alberta should have been involved up to its armpits in those negotiations, what were we doing? We were threatening to take the federal government to court on the insulation program they had announced — admittedly an intrusion into Alberta's affairs, but in the long-term interest of Alberta. This pipeline, the lack of Alberta being at the negotiating table, is far, far more important.

On occasion, this government is like a punch-drunk fighter who keeps swinging after the bell has rung.

In our case, it sometimes turns its pugilistic stance toward the people it's supposed to protect, and assumes an adversary position rather than one of co-operation toward many of the legitimate interest groups in this province, including local governments, hospital boards, school boards, and some professional groups.

Mr. Speaker, I want to move on to the fourth area of my comments. That's simply once again, I suppose, for the benefit of members of the House and for *Hansard*, to restate my concern about the growing conflict of interest between what's best for the public in Alberta and what's best for the Alberta government's equity investments held in the Alberta Energy Company. I make this point, Mr. Speaker, that what's best for the Alberta public and what's best for the Energy Company aren't always the same. We're seeing, Mr. Speaker, that it becomes increasingly difficult for the government to distinguish between these two.

In question period this morning, I raised the Willowglen electronics situation with the Minister of Business Development and Tourism. In essence, what's happened here is that some time ago the Opportunity Company approved a million dollar loan for Willowglen. When that loan was approved, a number of Alberta-based companies went to the Opportunity Company and expressed their very grave concerns. Willowglen has now been in operation in Alberta for some time. It's had the benefit of officials from the hon. minister's department trying to persuade Alberta business to use the products of Willowglen. On several occasions Alberta industry has been able to thwart the pressures from the minister's department and use electronic equipment from other Alberta suppliers.

Now what do we see happening? Well, recently we've seen Willowglen put in a bid for electronic equipment to Syncrude. They had by far the lowest bid, I'm advised. Syncrude chose not to take Willowglen's work but that of another company. Influence was exerted by the Department of Business Development and Tourism to have Syncrude relook at the matter. An independent consultant was brought in, as the minister indicated, and Syncrude chose to continue to use other than Willowglen's electronic equipment.

Now we find the Alberta Energy Company buying Willowglen from the Opportunity Company. One has to wonder whether there were discussions between the Opportunity Company, the government, and Alberta Energy Company with regard to AEC taking over Willowglen to help prop it up. Because now we see the corporate secretary of the Alberta Energy Company saying that Willowglen will have the exclusive opportunity to supply the electronic equipment for all the Alberta Energy Company's variety of interests.

What has happened as a result of this one move is that rather than have eight or perhaps more Alberta electronics companies bidding for the work at future Syncrude plants, future petrochemical plants, future work in Suffield, perhaps future work at Wainwright, and in other Alberta Energy Company interests, rather than having the wide variety of Alberta-based companies having a chance to bid for this work, Willowglen, according to the corporate secretary of AEC, will get the work. To date, Willowglen has not shown that it can compete in the market place in the

province of Alberta.

I say to the members of the Assembly that here is another example of where the government's corporate interest isn't the same as what the public interest should be in this province. Members can say only six, eight, or 10 electronics companies are concerned, are losing an opportunity to bid for a great deal of work in Alberta. But it's another example of Alberta-based business people finding themselves bidding against their own money, and in this case even being excluded from bidding. The day will come, I think, when more members of this Assembly will recognize the mistake we have made.

The last point I want to make, Mr. Speaker, deals with this question of national unity. I had the opportunity yesterday to speak in the Legislature Building with the Leader of the Opposition from the province of Quebec, Mr. Gerard-D. Levesque, who, despite the fact that his name is the same as the Premier of Quebec and who grew up within a very few miles of the present Premier, assures me he is no relation. In the course of my discussion with Mr. Levesque, I pointed out to him that I agreed with the comment made by the Premier in this Assembly on Wednesday last, that people in Quebec should not fool themselves into thinking that if Quebec really leaves Canada, a special arrangement can be worked out.

It's my view that people in western Canada, certainly in Alberta, basically want to see Quebec stay in Canada and in Confederation. But Albertans are not prepared to see a special arrangement made for the province of Quebec in which other provinces in Canada do not have the opportunity to partake.

I note with considerable interest that the term "special status" has now become an option that this government is looking at. I recall a debate in this Assembly in the early 1960s when a discussion was being made of what was then referred to as the Fulton/Favreau formula. I think the hon. member Mr. Ray Speaker dealt with this during the spring session. In the Fulton/Favreau formula there was provision for a special status which provinces could work out with the federal government. I think that approach bears looking at once again.

Alberta is one province within the Canadian nation. Whatever our attitude toward the present state of Confederation, it would be unrealistic to ignore the national context in defining our provincial aims. The official opposition and, I hope, the entire Legislature, indeed all Albertans, must be concerned with the place of our province within the nation. Mr. Speaker, I would suggest that Alberta should be viewed as a developing province within an evolving nation.

Ours is not the only developing province, though. There is one inevitable consequence of such a view of Alberta's role in Confederation; that is, that our legitimate interests and aspirations will from time to time come into conflict with the interests and aspirations of other Canadians. That's what federal/provincial and provincial/provincial politics are, quite properly, all about. Accordingly, we expect that the government of this province will, from time to time, find itself in conflict with other provinces, and in conflict with the federal government. When such conflicts arise, it's important that the government of this province have a clear perception of what is good for Alberta. We must also be mindful of what is the best interest of Canada. But we must remember that we

are charged with the responsibility of looking after this province in this country. We must, therefore, avoid casting all issues in terms of Alberta versus the rest of Canada. Instead, hopefully we can search, where possible, for those solutions which are good for Alberta and also good for Canada.

To conclude, we urge this Legislature to see its purpose, during the fall session, as working to secure and enhance the quality of life of all Albertans and, consistent with that, contributing to the strength of the Canadian nation.

MR. GHITTER: In rising to address a few remarks, pertaining particularly to the Premier's comments on Wednesday, I would like to open by suggesting how impressed I was with those comments, particularly the understanding the hon. Premier has with respect to the difficulties not only of this province but of the nation as a whole. And I must express how interesting I found his comments with respect to his journeys throughout the world, which has such a profound impact and influence on what we in the province of Alberta must embark on in future years. Certainly an understanding of international implications relating to wheat, prices of crude oil, the relationship with the OPEC nations, and the like, can only be achieved by an on-the-spot inspection of what is happening in the world today.

I would merely like to congratulate the Premier for his energies, for the amount of time and effort he has put into fulfilling the very serious role he is playing as leader of this province and a voice throughout this country. The remarks he made were so very important that all of us should reread *Hansard* just to understand the impact of many of the things that were stated by the hon. Premier on Wednesday.

I wish, Mr. Speaker, that I could say the same about some of the remarks I have heard this morning. I might suggest at the outset that I can appreciate the position of the Leader of the Opposition and the role he feels that he is taking. But I must also suggest that some of the remarks he made are really lacking in credibility. Before I proceed with the remarks I wish to make this morning, Mr. Speaker, I must just briefly respond to a couple of areas that the hon. Leader of the Opposition dealt with this morning.

I honestly can't understand what the hon. Leader of the Opposition expected this government to do when the very sensitive negotiations were being dealt with by the federal government and Washington. The impact of the northern pipeline on the province of Alberta will be something that is of such a profound nature and consequence to our citizens that it had to be dealt with in the highest understanding of sensitive negotiations dealing with a very difficult situation.

If hon. Leader of the Opposition would recall the scenario that surrounded those negotiations, he will remember that in the United States itself there was a considerable amount of opposition to the northern pipeline; that what happened in Washington during those negotiations, had they failed, would have had serious implications upon the growth of this province and our ability to maintain the level of employment and opportunity for our citizens. For the Leader of the Opposition to come forward and state that we should have barged into those meetings — merely for whatever purpose he thinks could have been resolved, and

with the possibility of offending the delicate balance of those meetings — is, I think, totally naive.

Mr. Speaker, I also recall the very same Leader of the Opposition stating in this House, on numerous occasions, that he felt we were too much involved in negotiations with other countries and other parties, that we were overstepping our bounds within our constitution and should draw back. Yet when we get into an area of such importance to our province, we should have barged in and gotten involved. Mr. Speaker, I find that position one I cannot accept.

I must say: were the results of those negotiations really that bad? Did the federal government really do a bad job from Alberta's point of view? I would suggest that we can all stand proudly and say, hey, that wasn't such a bad deal, this province will prosper. The fact that the pipeline will be coming through some 800 miles of our province is very beneficial to us all — to our municipalities, as we heard the other day in the Legislature, and to those who will be looking for jobs elsewhere in the province as the Syncrude construction slowly winds down from 8,000 to 2,500 employees.

Mr. Speaker, as the hon. Premier stated in this House yesterday, the example of the northern pipeline was one he wished could be followed on more occasions as far as co-operation between the federal government and the provincial government is concerned. This government kept abreast of matters throughout, and the federal government was well aware of the position the provincial government was taking on each specific issue. Mr. Speaker, the results speak for themselves. Anything else could have been disastrous. I believe the Leader of the Opposition has taken a rather unrealistic position in his desire to vocalize and carp today, rather than provide us with constructive comments as he has, in particular areas, on many occasions in this House.

Mr. Speaker, I don't wish to deal any further with the negative comments of the Leader of the Opposition. I wish to spend some time today, in the few moments allotted to me, to speak of a somewhat different perspective that I would like the members to consider with respect to the debates in our country on national unity. Mr. Speaker, to do so I would like to present a few historical perspectives for the members to consider, so they will better understand the conclusions I have come to with respect to this issue.

If one were to paint a canvas of what Canada is like today, you would readily see, first, a country with many diverse ethnic, cultural, and regional interests, and that within this large nation of but 22 million people, there is really little in common between these people insofar as their regional attitudes, their regional aspirations, their cultural aspirations, and their multicultural backgrounds.

If one were to look seriously at where Canada is today, leaving aside the unity issue for a moment, we would see a government in Ottawa that is symbolized by an emphasis upon multiculturalism, maintenance of ethnic identities, a perpetuation of regional disparities, and a concentration of industrial power in one small area of our country, which accepts the resources of the rest of the country, funnels them through an industrial process, and channels them back through a railroad system that creates great preference upon one area of land to the detriment of another. If one were to look at and clearly analyse

our country today, they would see that we have the largest deficit in our history, they would see our dollar falling to around 90 cents, they would see our productivity situation getting so serious that we don't know how to cope with it.

We come now to an area where our country itself, with all the economic problems of which we are all so aware, is facing a debate as to whether in fact we are a country or just a group of little balkanized areas running around calling ourselves Canada.

If I have painted my canvas of Canada at this particular juncture in our history in hues of grays and blues, Mr. Speaker, I have done so intentionally. For in my view the present situation in Canada can readily be analysed and accepted if one looks in terms of how we got here, to the point where we are. Mr. Speaker, if one looks back on the early history of Canada, one will quickly come to the conclusion that the reason the French entered Confederation was that they were worried they would lose their identity right at the start. Those of you who remember the history of Canada and will go back to Lord Durham's report may recall that prior to Confederation the English government sent Lord Durham to Canada and said to him, give us a report and tell us what we should do about the strife between Upper and Lower Canada. Lord Durham came back and reported to the British leaders saying, the problem is that we must deal with the French. We must either assimilate the French now, or we will have further problems in the colonies. The French were aware of this report and, as the pressures grew in Canada prior to Confederation, it became evident that the act of confederation by the French at that time was an act to avoid assimilation, because within our very constitution is the preservation of the rights of the French that they were going to lose prior to 1867.

If one would look in terms of what our constitution now states, one would readily recognize that our constitution merely deals with the concerns of four segments of this country, and that our Fathers of Confederation, when they created the British North America Act, did so as a balancing act to accommodate the concerns and worries of four regions of this country, without any consideration for the fact that the country would be larger, that many other impacts and forces would come a hundred years later. Mr. Speaker, it seems to me that those who created our constitution did so at a time in history with no concern or little consideration for where Canada was going to grow and where it would end up. I suggest that the west was not considered at the time of Confederation, and that as a result the constitution we ended up with was a constitution which today is archaic and outdated, which has no perspective on the problems and concerns of our country to overcome the difficulties we are facing.

Mr. Speaker, if one follows through the history of Canada since the time of our constitution, one can easily see how the flow from that constitution resulted in alienation throughout our country. One can start very simply with Louis Riel, probably the first example of alienation from the constitution. When the federal land surveyors came to the province of Manitoba, as it is now, and said to the Metis, we have come to survey your land because the federal government now bought this land from the Hudson's Bay Company, the Metis at the time said, but

this is our land, we have been here. It came that it didn't matter, and the Riel Rebellion went from there with the killing of Thomas Scott and the like. The first example of lack of understanding and lack of feeling for another area of the country was displayed. Since then we have seen example after example, not just from the west's point of view, but from many others regions of the country.

I suppose the province of British Columbia has many complaints as well as to when they ended up with their railroad, which was probably 25 years after it was promised. From the point of view of various regions of our country, I think we can see an unwillingness from the control of this nation to move out of that area. Those in the oil industry can give example after example of how the feelings of this province were ignored by central Canada until only now when it is in the interest of central Canada to deal with it.

Many of you in this House may forget the amount of money that is leaving the province of Alberta daily to subsidize the Quebec consumer. Many of you may forget that up to now we have spent some \$4 billion from our resources in the province of Alberta to subsidize consumers elsewhere in Canada. Of these dollars, \$2.3 billion has gone from this province to the province of Quebec.

Now there are many grievances. There are grievances of businessmen from the point of view of tariffs. There are grievances of manufacturing industries. There are grievances throughout and these are going to go on forever, no matter what type of constitution we end up with.

But, Mr. Speaker, as I hear our politicians travelling throughout our country, espousing the popular cause of Canadian unity — as I hear speech after speech of federal politicians and local politicians saying, let's keep our country united, let's keep Canada together, let's keep what we have — I suggest, Mr. Speaker, that these are overstatements. I suggest, Mr. Speaker, that the history of Canada will show that we have never been a united country, that we have never acted like a united country, and that by any definition of "united", Canada has never been, either in war or in peace. By any definition of a people gathering together as one from a common bond of unity and movement forward — we have never had it. Those who suggest we have and that we have something to retain from that point of view, Mr. Speaker, in their loud, eloquent speeches relating to unity, are just deluding themselves.

Those who wear political stripes and come forward and suggest that what is needed in Canada today is merely a rally round the flag and get-together, are not dealing with the issues where they really exist, from the point of view of creating a lasting, fulfilling type of country that we really want, to truly end up with something we can say is a united country where all regions of our nation are dealt with equally without this grip on our necks by certain smaller areas and peoples within a certain sector of this country.

Mr. Speaker, it is not the time in our history to deal with the politics of appeasement. It is not the time in our history to go running to the province of Quebec with cap in hand, saying, hey, Quebec, you must stay; what do you want? Mr. Speaker, it is time to get away from the politics of appeasement. It is time to stand up and say, what are our problems and let's deal with them.

Mr. Speaker, the Canada I would like to see, if we are really going to deal with the areas of problems where we have to start off, is the Canada where individuals in each part of our nation feel they have an equal say in what is happening. When we in Alberta send 18 to 21 Members of Parliament to Ottawa, and can be outvoted by the city of Toronto alone, Mr. Speaker, it seems to me that those of us in Alberta do not really feel our voice means anything. I would suggest it doesn't.

Mr. Speaker, when we in Alberta look in terms of the directors of the major companies across this land and find that some 170 people in Canada have a lock on the development of this country, that the directorships from company to bank and the like are so interlocked that they in fact control this nation, and that those decisions are being made on Bay Street in Toronto, it leads one in the west or the maritimes or British Columbia to believe that we are not really equal partners in Confederation. Mr. Speaker, unless we break this grip that exists on Canada so people feel that being a Canadian is being equal, whoever you are, wherever you are, in my judgment we will never deal realistically with the problems of Canada.

I wish to leave with the members of the House this afternoon areas of suggestions as to what should be done. First, start in the area of constitutional reform. Some, [including] the Premier in his address on Wednesday, suggest that constitutional reform is legalistic in nature, and I suppose it is. But unless we achieve constitutional reform in Canada so regions feel equal to other regions, anything we do beyond that will be mere window dressing.

Until we create a Senate based on regions, where, from the point [of view] of membership, the province of Alberta is dealt with equally with Prince Edward Island, Quebec, and the like, so that the composition of an Upper House has some meaning like it has in the United States, in Germany, in major civilized countries in the world, we will never have the feeling that a vote in Alberta is the same as a vote in Toronto. Mr. Speaker, I suggest it is vital to creating a unified country that the first step be taken to create a Senate that has meaning; that individuals throughout our country, on a regional basis, be able to select men and women to sit in the Senate who will have an equal vote on the basis of region, not just population; and that the position in the Senate will be one whereby, if necessary, they can veto acts of Parliament if they can achieve a 75 per cent majority, or whatever. But it's time we started dealing on the basis of regions, and it's time we turned that archaic body known as the Senate — which is merely a resting place for some fine people, but for a lot of political hacks — into a place of action. That's the first thing.

Mr. Speaker, until we change the Supreme Court of Canada as to the men who are appointed there, until it becomes a matter where the regions have a say in who shall be appointed to the Supreme Court of Canada, and people are not appointed to that austere bench from the point of view of their prior philosophies relative to centralism or whatever, and the regions have an ability to appoint men and women to the highest court in our land: until that happens, there will be no feeling within the regions of the existence of fairness and impartiality within our Supreme Court of Canada. That must be done.

From the point of view of commerce and trade, Mr. Speaker, until some of the decision-making process is made elsewhere in Canada, out of Bay Street, Toronto, and until our businesses understand — and this can't be done by legislation, Mr. Speaker — that other regions of Canada are getting a little tired of having to send telexes to Toronto for decisions, and that these [should be] made more on a regional basis, how in the world can you feel you're acting as a nation and a united people when all of these activities are occurring.

Mr. Speaker, it seems to me, when we're dealing in terms of this very, very vital unity debate, that we look at the structure of our nation and where we have gone wrong. We come to the conclusion, Mr. Speaker, that our Fathers of Confederation really weren't the wise men it was suggested they were. Our Fathers of Confederation were wise in the short run, but from the point of view of what has happened to this country in the last hundred years, Mr. Speaker, I would suggest their scope was rather limited. I say that kindly, because of course they were only dealing with a very small area of this country.

Mr. Speaker, I think these are the problem areas we must come to grips with as members of this Legislature. I don't think it helps to say we're going to create special status here and special status there. I don't accept that argument, Mr. Speaker. The argument is to try to create an equal status. Until we achieve that equal status of all members in this country we will never be a unified nation. And unless we embark on some very severe restructuring of what we have, it would be my submission that we will never achieve what many are suggesting can so easily be done.

MRS. CHICHAK: Mr. Speaker, I find it a pleasure to participate in the debate this morning. I find the remarks rather interesting, rather challenging for cross-examination, particularly those of the hon. Leader of the Opposition. It would perhaps be an appropriate time to reflect on those. However, I did get notice from some of my colleagues who particularly wished to concentrate on the remarks of the hon. Leader of the Opposition, and I'll yield the floor to them in that respect. I will therefore confine my remarks to some of the areas I feel are of great importance for communication to the citizens of Alberta.

Mr. Speaker, MLAs who are not in the Executive Council have a great deal of difficulty conveying to the citizens within their constituencies and the province as a whole what their concerns are, where they stand on many issues, and what really is their participation insofar as input to government decisions. At least there is difficulty in carrying out this communication without extensive personal expense. I don't believe that such expense should be necessary when we have what the citizens in this country and this province interpret as a communication vehicle via the media.

The Progressive Conservative Party enjoys a great majority in this House, and I recognize that the media perhaps feel they must act in an adversary position and, rather than convey things as they are or as they are happening, put forward the opposing point of view. I don't wish to criticize them for that. I think it is necessary to have a second point of view. I think it

is necessary to keep the government on its toes in making sure that its performance is at top level, irrespective of majority. Nevertheless, I think the experience has been extremely difficult for members since we were first elected, but more so since the 1975 increase in majority. I hope that from time to time our messages and our concerns will be conveyed without extensive personal expense.

I know that many things have happened in our concerns for citizens in this province. I might list a few of the areas, one of them being housing. As I speak to my constituents I find that many of them are really not aware of the extent to which moneys out of the heritage trust fund are allocated toward housing in this province. I think it would be worth while to reflect on just where we stand in that regard.

As I recall, when we first came to office in 1971, the overall housing budget was \$25 million. Looking at the current figures our housing budget is now reaching \$500 million in just six short years. And where is the allocation or the priority with respect to that expenditure? I'm pleased to say that housing for senior citizens has an extremely high priority. That is significant when I relate and reflect on the breakdown of the financial contribution. The \$500 million housing budget currently is allocated in the following figures: approximately \$182 million is spent by the Alberta Housing Corporation through the programs under its administration; the Alberta Home Mortgage Corporation currently has a budget of \$318 million.

To determine what extent of that overall operating budget really flows to the citizens of Alberta, it is necessary to know just what it costs to run all these programs. If we combine the operating services of Alberta Housing Corporation, the Alberta Home Mortgage Corporation, and the Department of Housing and Public Works, the current budget is in the vicinity of \$60 million, which is very small when you take into consideration the extent of the programs. What proportion, then, is the housing budget for senior citizens' housing? That really, to some extent, is a major concern of mine because of the very high need of that facility for citizens in my constituency. In the last two years, as I reviewed, we had approved for construction over 3,000 housing units for senior citizens. The budget to cover this has exceeded \$100 million of that \$500 million. Over \$30 million has been assigned as grants under the senior citizen home improvement program. I know that many citizens in my constituency have taken advantage of this program and have spoken to me about how grateful they are and how much help it has been to them. In addition to these programs, a substantial number of rent control units under the core housing incentive program are being assigned to senior citizens through the senior citizen housing registries in the province.

It seems to me that many of these senior citizens are really not aware that they must register through the senior citizen housing registry to get their names on the list for their home needs, although I know I have tried, and I'm sure this government has tried, to communicate this to them. But it gets lost in the shuffle somewhere, and I'm just not sure what other mechanism we can apply to get the message out. Certainly it doesn't appear such a message will get through in anything I say here today, except for those who will read *Hansard*.

Another area of concern I have with respect to

services for senior citizens is the matter of home care. Over the past couple of years we have attempted to put in place a project to experience at first hand the difficulties in putting such a program in place — the extent of such a program, the benefits, whether the end result will slow down the constant, very quick rise in health care costs for senior citizens or, for that matter, for those who are not senior citizens but require or would benefit from nursing or health care in their homes rather than in active treatment hospitals.

I believe that project has faced many difficulties. We have found many abuses in the system. It takes time to resolve these. It takes time to determine how we can have the program efficient, yet not so efficient that it really is of little value. When citizens speak about home care, they have a broader interpretation than simply health care in the home. The questions I'm asked are whether the program includes assistance for maintenance both inside and outside the home, for those senior citizens who are not capable of doing the heavier workload; the matter of assisting with their grocery shopping and how far we would consider assisting in this area: is it feasible? The meals-on-wheels program we have had for some time is very beneficial to many. Others have expressed their concern that there are too many abuses or that it is inadequate.

How do we resolve these problems? I think we can resolve many of them only if we have the co-operation of the citizens who need to participate in such a program — if they honestly, in their examination, apply for the program only if it is really needed rather than simply because such a program is in existence. Will such a program help us to decrease or slow down the rise in other cost areas? There are many complex questions to be answered. I frankly don't have the answers to many of them, but I have a great deal of concern that there are many citizens who do need the care desperately, need the service desperately. However, can we build in a budget for as vast a program as there appears to be a demand for and maintain it over any period of time? I think we must look with reality at many of the demands or requests we are making, and be aware that somewhere a line must be drawn.

The other area of concern I have a great deal of contact with is the matter of day care. It seems to me that day care programs perhaps are more easily manageable. I don't think I really support that day care should be almost totally provided by preventive social services under government jurisdiction. I think it is very important to encourage and bring in the private sector in this area. I believe there is nothing wrong in giving subsidization to private operators, if they are providing services to children of low-income earners who otherwise would be deprived of making the kind of progress in their personal development that other children are receiving, simply because their parents are in an income level where they can very well afford it.

We have many social problems we are coping with and spending a great deal of money for — problems between parents and children, children that parents can't cope with, single-parent families. It seems to me that to continue to put out millions of dollars providing social assistance just for accommodation for people to be able to live in some degree of

comfort, without putting in place a proper program to resolve their personal dilemmas so that we don't have to continue in perpetuity with social assistance from the parents to the children and to their children — I believe very strongly that day care plays a major role in the resolution of some of these problems, or at least in shortening the period in which such assistance must be given. I don't believe there has been recognized a sufficiently high degree of priority for a program in this area. I would hope my colleagues will think about that seriously. We set very high priorities, where there is a great deal of pressure — and the pressure comes because there is need — for citizens who are capable of managing to alter their direction in life, but not as much for those where the management doesn't come as easily.

There's another area under social services that I know is of great concern to many people and to my colleagues, and that is the disadvantage of our many handicapped. I'd like to refer briefly to one aspect of that, and that is the development of resource centres which we announced. The past couple of years we started on a minor program, and last year we made an announcement of putting resource centres in place both in Edmonton and Calgary. That hasn't been an easy program, simply because the acceptance on the part of the communities and the public has not been there. Recognizing that the program was to assist children with not only physical but mental problems, citizens were in favor of assistance in this area, but not when it came to consider the placement or the location within their communities.

In my constituency, I have appealed for reason, for logic, for acceptance of these young disadvantaged people in their midst and not to treat them as though they were from another world. I don't believe those pleas have been accepted to the extent I hoped they might have been. I think that is unfortunate, because then we must ask ourselves how sincere the public is when it demands that its government put high priority in the areas of need, so long as the need is shifted away from their eyes, where they don't have to look at it. I think that is a very unfortunate situation.

In any event, irrespective of the opposition we receive in many communities, I hope the Minister of Social Services and Community Health will have support in increasing a budget for this area in order that we in Edmonton might increase the number of resource centres we will be establishing very quickly.

The subject that's been close to my heart since, I think, back in 1972 is the Capital City Park. As I reflect on the debate that took place when the resolution was moved by the now Solicitor General, the hon. Mr. Farran, who was speaking for development of a provincial park in the city of Calgary, I was pleased to have had the opportunity to second that resolution and speak for the development of a provincial park in the city of Edmonton. Of course other colleagues in the House supported that resolution and made substantial contributions to the debate at the time. I recall that when the debate initially took place on that motion, I urged the government to consider the development of this park to be completed by the time of the 1978 Commonwealth Games, which it was then known would in all probability be held in the city of Edmonton.

I think it is timely now to reflect on the expenditure that has been allocated for the development of this

park and where we are today. Currently four of the foot bridges are more than halfway constructed and should be completed some time this winter. The hiking and cycling trails are now nearly complete and will surely be ready for the spring of 1978. The bank stabilization program is well under way. The planting and amenities are well under way. Those areas of the park that the city of Edmonton has under its plan and budget are very much under way and progressing well. But I think the exciting thing about the development of this park is that the park is totally on schedule, the park is on budget, but most of all, the park will be open in time for the 1978 Commonwealth Games. I think that's a major accomplishment, because there really was only a short five years in which to undertake, plan, and complete such a major project.

I'd like to make a few brief comments about a committee on which I serve, a committee which almost in totality is comprised of members from the private sector, and that is the Alberta Occupational Health and Safety Council. That committee was established following the establishment of the division of occupational health and safety under the Department of Labour. The committee has been working since December 1976 and, I think, has done some major work to this date. In an advisory capacity, it has been in close contact and has given substantial assistance and advice to the Minister of Labour with respect to the development of regulations under the legislation. It has, in its short time, already dealt with an appeal by a major contractor resulting from an order issued by the government. I'm pleased to say the decision of the appeal committee, which is a division of the Occupational Health and Safety Council, did not need to be taken any further to the courts. I think it is important; it indicates to the industry, both employers and employees, that there is sincerity in an attempt to establish in the industries in the province safety of the work place and improved health conditions.

I am pleased that we designated, through this summer, some major work areas for the establishment of employer/employee worksite safety committees. Over 90 of the major worksite committees will be covered and in place within a week or two. That is a major accomplishment in the short period of time the division has been established.

With regard to communications and the ability to convey accurate information to the public, I think we have found through this summer a great disservice on the part of the media to the citizens of Alberta. In playing its adversary role, I don't believe accurate information was given with respect to the Red Deer River dam. I think it's important that citizens know where the difference lies with respect to the recommendation of the Environment Conservation Authority and the decision of the government. I think it's important for the citizens of Alberta to know that the recommendations of the Environment Conservation Authority were for the development of off-storage facilities now, at a cost of \$45 million and, at a later date, to consider a dam, at what is described in the report as Site 11, at an additional cost of \$70 million. The two projects in an overall time would be \$115 million. It seems to me that the benefits provided by the recommendations were considered with a very

short view. In choosing Site 6, the decision of the government will have an overall estimated cost at this time of \$61 million. That is a difference of \$44 million, if you speak of dollars alone. However, in the long-term, benefits from the decision to develop the dam at Site 6 far outweigh the benefits that would be realized under the recommendations made by the Environment Conservation Authority.

It is important to recognize that the Authority was working in what it believed to be an advisory capacity, and came to a decision it felt was right, taking into consideration those matters available to it. However, it is necessary for Albertans to be aware that the government must take into consideration matters that are beyond the realm, the scope, or the jurisdiction of the Authority, and must make a decision with respect to all the additional matters it has before it. It is important for the citizens of Alberta to know that the final decision was made in the overall interest of Albertans.

I don't think I will go into any further detail on the number of people involved with respect to the decision of the dam at Site 6, except to say that this government has been, is, and I'm sure will continue to be, committed to seeing that the citizens who are directly affected with respect to the decision being made by the government will be more than adequately compensated.

Mr. Speaker, there are many things that one could bring forward on the concerns we have. But I would like to close my debate by simply putting forward these remarks: I believe the record will show that since our election in 1971 the direction of our programs and decisions, all our actions, the priorities we have set, and the order of those priorities, has always been a primary concern of the benefits that such decisions would have for the citizens of Alberta. I believe that we will make errors, as we are human, that each and every step is closely examined and will continue to be examined, and that we will do nothing that will be contrary to the best interests and benefits to Albertans.

Thank you, Mr. Speaker.

DR. BACKUS: Mr. Speaker, I wish to speak specifically about my constituency. But I would like to test their response over the weekend to the excellent address by the Premier, so I beg leave to adjourn the debate.

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

HON. MEMBERS: Agreed.

MR. FOSTER: Mr. Speaker, I move we call it 1 o'clock.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 12:50 p.m.]

