

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Thursday, October 27, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS****Bill 245****An Act to Amend****The Environment Conservation Act****Speaker's Ruling**

MR. SPEAKER: Hon. members may recall that on Tuesday of this week I reserved the question of the motion by the hon. Leader of the Opposition for [first] reading of Bill 245 dealing with the Environment Conservation Authority. Since that time I have been able to research parliamentary practice in this regard, and it would appear that any difficulty there might be with regard to the debating of the bill could be dealt with at such time, if any, as the bill comes up for debate in principle on second reading.

Therefore I would propose to put the motion now and ask if hon. members agree that the bill introduced by the hon. Leader of the Opposition be read a first time.

HON. MEMBERS: Agreed.

[Bill 245 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. HYNDMAN: Mr. Speaker, I wish to table the reply to Motion for a Return No. 226, in four copies.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. McCRAE: Mr. Speaker, it is my pleasure today to introduce to you and to the Assembly a group of 23 students from the Van Horne Secondary School in Foothills, my constituency in Calgary. They are from grades 10 and 11, and are accompanied by their [teacher] Mr. Frank Dyck and the assistant principal, who is also 'subbing' as a bus driver, Mr. Byron Lambe. They are seated in the members gallery, Mr. Speaker. I would ask they rise and be recognized by the Assembly.

head: **ORAL QUESTION PERIOD****Security**

MR. CLARK: Mr. Speaker, before starting question

period, might I just say in preface that it is not our intention to ask any questions with regard to the unfortunate incident this morning. I simply trust that you, Mr. Speaker, and the government will take whatever action is necessary on the question of security.

Red Deer Dam

MR. CLARK: Mr. Speaker, I would like to direct a question to the Minister of the Environment. Will the minister make available at the earliest possible opportunity the results of the soil tests which the Department of the Environment has caused to have done at the site of the Red Deer dam?

MR. RUSSELL: Yes, Mr. Speaker. As the hon. member may be aware, we've brought forward the schedule for that part of the work so we can get the news and data out to people who are interested as quickly as possible. We've also included in the consultants' fee an amount for holding public meetings and information sessions by the consultants so they're able to take the results of their work back to community groups.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. When might the community groups in central Alberta expect, first of all, to get the information and, secondly, to prepare for the public meetings the minister referred to?

MR. RUSSELL: Mr. Speaker, the last information I had was that the work is expected to be complete about the end of December. We would go forward as quickly as possible following that time.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. When the minister says the work will be done by the end of December, is he talking of the actual drilling or the analysing of the results of that drilling? It was my understanding that the information would be in the hands of people around the end of December.

MR. RUSSELL: That's right, Mr. Speaker. We expect all aspects of the work to be done by the end of the year.

MR. CLARK: Mr. Speaker, can we assume from the minister's answer that the basic information flowing from that work will be available to people at around the same time, the end of the year?

MR. RUSSELL: Mr. Speaker, just as soon as we can put it together and get it out, we will. That's the whole objective in moving the work forward.

MR. CLARK: Mr. Speaker, to the minister. What form will these public hearings take that will be held in 1978?

MR. RUSSELL: I don't know quite how to answer that, Mr. Speaker. We've asked the consultant to provide in his fees for meeting with people and explaining the information to any groups that are interested. So I suspect the form of the meeting could be left up to the interested community groups. If they have ques-

tions or want a presentation on it, that's the kind of activity we had in mind when we put that into the contract.

MR. CLARK: Mr. Speaker, to the minister. Should community groups that are interested in the information contact the consultant directly to make arrangements?

MR. RUSSELL: Well, Mr. Speaker, we've been dealing with one or two groups directly in my office. I suppose they could contact the consultant directly. In any event, it would be our intention to get this stuff out to them as quickly as possible. I guess what I'm saying is: they can contact the consultant directly if they want to, but in any event they would get the same information through my office.

MR. CLARK: Mr. Speaker, to the minister. What contingency plans has the minister prepared if the tests support the farmers' claims that seepage in a wide area around the proposed dam is a serious problem?

MR. RUSSELL: Well, Mr. Speaker, that has to remain a hypothetical question, because for the last two years the information we've been getting is that those were not major concerns insofar as the construction of the dam is concerned, and we've gone ahead on that basis. There's always the situation in any issue, I suppose, when something completely unknown or unexpected does occur. We would be prepared to deal with that kind of situation. But everything we've had during the last two to two and a half years would lead us to believe that that would not be the situation.

MR. CLARK: Mr. Speaker, just one last question to the minister in dealing again with the matter of contingency plans. Does the government have a contingency plan or alternative in the event the consultants' report indicates that the worst fears of people in that area are realized?

MR. RUSSELL: Mr. Speaker, in dealing with this whole issue I think the alternatives, if an alternative is necessary, have been fairly well defined. If there is a problem on a minor scale, of course it can be dealt with on an engineering basis. There are engineering and technical methods of dealing with any minor or small-scale problem such as providing liners for that part of the reservoir that might have a seepage problem connected with it.

If the problem were more serious, there would have to be the selection of an alternative site. If an alternative site were not available, there would have to be the selection of an alternative method to a dam. But all those things have been dealt with in the reports that have been made public and, in fact, in the final report of the ECA.

Assembly Business

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the Government House Leader and ask if it's the government's intention to introduce any legislation or make any statement, during this fall session, dealing with the report on professions and occupations.

MR. HYNDMAN: Mr. Speaker, at this time it would not be our intention to move in that formal way in this sitting of the Legislature.

MR. CLARK: Mr. Speaker, a supplementary question to the minister on the question of House business during this session. Is it the government's intention to introduce amendments to the Labour Act during this fall session?

MR. HYNDMAN: Mr. Speaker, no decision has yet been taken with regard to that question.

Bilateral Trade Discussions

MR. PEACOCK: Mr. Speaker, my question is for the Premier. Could the hon. Premier advise the Assembly whether, during his meeting yesterday with U.S. Ambassador Enders, the Ambassador confirmed his interest in bilateral trade discussions, which he raised at the Calgary Chamber of Commerce on Friday last?

MR. LOUGHEED: Mr. Speaker, I would have to answer the question this way: in the course of the discussion I had yesterday — together with my colleagues the Minister of Federal and Intergovernmental Affairs and the Minister of Agriculture — with Mr. Enders, the United States Ambassador to Canada, we reviewed the question of bilateral discussions. I came away from the meeting with a different impression than I had when I read the Ambassador's speech. Therefore I would conclude that it is improbable there would be a gas swap or accelerated natural gas supply to the United States, subject of course to the Ambassador reflecting a firm United States position.

Juvenile Mental Patient Care

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Social Services and Community Health. Is the minister in a position to advise the Assembly what considerations were behind the decision of the Department of Social Services and Community Health in July of this year to close the juvenile ward in Alberta Hospital at Oliver?

MISS HUNLEY: I discussed this earlier in the House, Mr. Speaker. Perhaps the hon. member wasn't in his place. I am happy to respond again.

An evaluation took place in Alberta Hospital, Edmonton, in which they were reviewing the treatment program and the number of patients who were admitted in Kennedy Hall. Perhaps we should say that Kennedy Hall was intended at one time for adolescents who required long-term care. During the course of the evaluation and review of the programs in Alberta Hospital, Edmonton, it was learned that it was no longer being used for that purpose. In fact it was sparsely used. So it was using a good deal of space and a good deal of staff and wasn't serving an adequate purpose. The feeling was that adolescents who needed treatment could be adequately served in the general hospital treatment process or in other agencies such as Westfield, and that decision was taken.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Can the minister advise the Assembly whether she has had an opportunity to review this matter directly with those involved in that program in Alberta Hospital? They have advised me that the juvenile services section had a capacity of 23 beds but preferred to operate with 18 patients, and that that in fact was the normal usage of the centre.

MISS HUNLEY: I don't have that type of information here, but without a doubt it's in the department. I usually rely on the director of mental health services and my officials to do the department management. They advised me that this was their intention. I accepted their recommendation because I believe they, as professionals, are professional and capable of managing the affairs of the department, and I expect them to do so.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. What assessment was made by the government with respect to transferring patients to homes such as Hull Home and Westfield, which have been traditionally used for adolescents less disturbed than those who were in Kennedy Hall in Alberta Hospital at Oliver?

MISS HUNLEY: If you refer to the government I presume you refer to me, since the evaluation was part of the department's responsibility. I've already answered the hon. member that we felt adequate care could be given in other circumstances. That's the reason the position was taken.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Did the minister undertake any discussions with officials of Hull Home and Westfield with respect to the question of changing their nature to the extent that more seriously disturbed young people would be transferred to those centres than had traditionally been the case?

MISS HUNLEY: Westfield, as the hon. member is perhaps aware, is an institution which is operated by the department. Roper Hull Home is not. It's operated on a contract basis with the department. I have not had discussions with the board members of Roper Hull. But my officials have been working with them, because we feel they do have facilities there that could deal with the more troubled juveniles for whom we are responsible. That matter is not yet resolved.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister for clarification. What specific steps is the government taking at this time to deal with the problem of the very seriously disturbed adolescents who were formerly housed in Alberta Hospital, beyond some of them going into the adult wards and some of them going into Westfield and Hull Home? Are any specific plans under way for a home that would deal just with those serious cases?

MISS HUNLEY: Yes there are. I was pleased to announce that Wood's Christian Home has an agreement with the government whereby its plan for a facility is going forward. I believe it's moving forward quite quickly. I believe its program and the construction have been approved.

MR. NOTLEY: One final supplementary question to the hon. minister. In light of the changes made, has there been strict application of the restraint program to the centres mentioned and, I might also add, Mapleridge? Or have additional sums of money in fact been made available to these centres to accommodate the additional load?

MISS HUNLEY: I don't have that information, Mr. Speaker. When the bill was passed and we received the direction of the Legislature last spring, my officials negotiated with various agencies which have contracts with the government, as well as looking at our own institutions to see what closed facilities might be used to carry out the terms of the legislation. As I reported earlier in the House, we have 100 spaces which we think are adequate.

AHC Tenders and Purchases

MR. TAYLOR: My question is to the hon. Minister of Housing and Public Works. Must tenderers for contracts be registered and have a residence in Alberta in order to bid on contracts tendered by Alberta Housing?

MR. YURKO: The answer, Mr. Speaker, is no.

MR. TAYLOR: Are tenders from the United States accepted by Alberta Housing?

MR. YURKO: Mr. Speaker, I don't believe we've had to face that problem yet because I don't recall any tenders placed in Alberta by firms in the United States. But certainly firms outside Alberta, from Winnipeg for example, have tendered on a number of projects within Alberta Housing Corporation.

MR. TAYLOR: Does Alberta Housing have a policy of giving priority to Alberta-made products?

MR. YURKO: Mr. Speaker, this is a matter of policy for the government in total rather than for the Alberta Housing Corporation, as the corporation follows the government in that regard. Though there is some government consideration of this matter, which is being examined in detail, I don't believe that at this time any policy of preferences is yet consolidated within the various government departments, including the Alberta Housing Corporation.

MR. TAYLOR: A further supplementary. Does the hon. minister have any information that American modular cabinets are being introduced to Alberta in a rather indirect way?

MR. YURKO: Mr. Speaker, in regard to appliances and parts which go into a housing unit — be it mobile, modular, or in fact constructed — there is a wide variety of heating parts, plumbing parts, electrical parts. These are of course imported from eastern Canada as well as a variety of countries. Thus far, we haven't made any distinction in regard to the supply of these parts to housing units by Alberta distributors. So if the member is relating to a part imported into Alberta by an Alberta distributor, which may or may not be sold to a contractor building a house, then I

recognize that no distinction is made with respect to where the part comes from.

MR. TAYLOR: A further supplementary. Does the policy of buying at the lowest possible bid predominate the majority of the purchasing?

MR. YURKO: That is correct, Mr. Speaker.

Beef Industry

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Has the government established a position on the recent recommendations by the Senate Committee on Agriculture?

MR. MOORE: Mr. Speaker, I think I reviewed that briefly in answer to a question the other day in this Assembly. Basically, we agree with the overall concept of the Senate report which in fact said that the beef industry in Canada had been allowed to deteriorate to its state today because of inadequate laws to protect the Canadian beef producer.

On the other hand, Mr. Speaker, I believe I explained that there are certain recommendations in the report which we would want to study further and perhaps express a different point of view on; that is, with respect to the overall conclusion in the Senate report that Canada should, in addition to developing a meat import law, place restrictions on the importation of beef from the United States by way of an additional tariff, and generally speaking treat the U.S. market as any other market that might be importing beef into Canada. Our representations from this government to the Senate committee were that the North American market should be treated as a separate entity, in that we think the long-term future would provide our producers with a better income if in fact we had considerable access to the U.S. market, and that the traditional trade patterns of west to east in Canada and the United States may well be changing so that trade is going to occur from north to south to a larger extent.

In that regard, Mr. Speaker, we differ at the present time from the recommendations forwarded from the Senate committee to the federal government: we think we need to have bilateral arrangements with the United States in terms of two-way trade that are different than what might occur with other countries.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. One specific recommendation in the report was that there be a 5-cent import tariff on slaughtered beef and 3 cents on live beef. What is the position of the government on this recommendation?

MR. MOORE: I'm not sure that I can do anything but repeat myself, Mr. Speaker; that is, we believe it is to the long-term benefit of producers in Alberta if we have as free as possible trade between the United States and Canada. We believe that because we think there are marketing opportunities for our producers in the northwest U.S. that might otherwise be denied if tariffs are increased. So our objective in fact is not to increase tariffs between the two countries, but to provide for a reduction of tariffs and a reduc-

tion of quotas which are presently imposed on the export of live cattle and beef from Canada to the United States.

Grant MacEwan College

DR. BUCK: Mr. Speaker, I would like to address my question to the hon. Minister of Advanced Education and Manpower. Can the minister indicate to the Legislature if plans are proceeding for the Grant MacEwan Community College in Sherwood Park?

DR. HOHOL: Mr. Speaker, there are no present plans for a Grant MacEwan campus in Sherwood Park.

DR. BUCK: Mr. Speaker, can the minister indicate to the House what discussions have taken place between the minister's department and the directors of Grant MacEwan Community College that relate to putting a college in Sherwood Park?

DR. HOHOL: Yes I can, Mr. Speaker. I believe there has been an offer of land, with specific and conditional qualifications that that land be used in that way. The members of council — at least the then mayor and two or three council people — and some people from Grant MacEwan College met with me personally in June. We examined the proposal. They asked me to consider it. I said I would, and that I would be in touch with them sometime this fall, and I intend to do that.

DR. BUCK: Mr. Speaker, can the minister be a little more definitive? Does he mean sometime this fall — I mean, December 31 — or in the relatively near future?

DR. HOHOL: Yes I can. I said I'd try to respond with respect to feasibility by the end of October. I intend to do that.

Alcohol Use in High Schools

MR. LITTLE: Mr. Speaker, might I address my question to the hon. Minister of Education. It is prefaced by a brief explanation.

A recent study in the United States disclosed that alcoholism among students at both the elementary and high school levels has reached epidemic proportions. Is the minister able to advise this Assembly if a similar problem is developing in the Alberta school system?

MR. KOZIAK: Mr. Speaker, some time ago — I don't recall if it was during the session last year or earlier — in response to a question in this Assembly on the use of drugs, I responded that evidence at that time indicated that the abuse of drugs by students in our basic education system had in fact levelled off and really was on the decline. However, there was some concern at that time that the direction had only changed from some of the soft and hard drugs to alcohol, a sort of back-to-the-basics approach. [Laughter] I also indicated at that time that perhaps the students were emulating their parents more, an interesting point of discussion which I won't embark upon now.

I don't have any information which would indicate there's been any dramatic change in that period of

time. As a matter of fact, Mr. Speaker, in the last couple of months I have been receiving, by word of mouth, some excellent compliments on the students who are now studying in the system and those who have recently graduated.

MR. NOTLEY: Mr. Speaker, I'd just say that I hope the WCTU does not get hold of *Hansard*, or we won't have the Minister of Education around very long.

Bilateral Trade Discussions

(continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Premier. It flows from his answers today to the hon. Member for Calgary Currie, with respect to his discussions with Mr. Enders. Could the Premier outline to the House whether the United States Ambassador saw negotiations vis-a-vis gas, agricultural products, and petrochemicals to the United States in the context of bilateral arrangements, or was his view that these matters should be looked at in the context of multilateral trade arrangements through GATT talks?

MR. LOUGHEED: Mr. Speaker, I'm well aware of the hon. member's view that we should limit our discussions to multinational trade negotiations, and I've explained on a number of occasions why I think that would be ill-advised for Albertans. In the discussions with Ambassador Enders there was no question that he could see quite a scope for discussions, with regard to bilateral trade between Canada and the United States, on a number of subjects such as agricultural market access.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Did American Ambassador Enders indicate to the government of Alberta that gas sales would have to precede bilateral discussions on selected tariff reductions?

MR. LOUGHEED: Mr. Speaker, I think what might be more relevant is the position of the Alberta government. The position of the Alberta government is clear: we would not authorize such accelerated natural gas supply or enter a gas swap unless we saw some benefit for the farmers of this province.

Urban Development Discussions

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Housing and Public Works and ask if he gave instructions to his deputy minister, Mr. Murray Rasmusson, that he was not to take part in a panel discussion this afternoon in Edmonton sponsored by the Urban Development Institute.

MR. YURKO: Mr. Speaker, first of all Mr. Rasmusson is an assistant deputy minister rather than a deputy minister.

MR. CLARK: You have so many.

DR. BUCK: It's hard to keep track.

MR. YURKO: Mr. Rasmusson is the assistant deputy minister of policy and program development. My

understanding was that UDI had asked Mr. Rasmusson to participate in a discussion of evolving policy. Indeed, Mr. Rasmusson checked as to whether or not he should be involved in this type of discussion. A discussion in regard to evolving government policy is not something that's necessarily entered by civil servants. This is an area for consideration more by the political arm of government rather than the civil service arm. In this regard I advised Mr. Rasmusson that it would be more appropriate if he didn't involve himself in a discussion of evolving government policy.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the fact that UDI had in fact advised Mr. Rasmusson some time ago and he had agreed to take part in the discussion, when did the minister inform the assistant deputy minister that he was not to take part?

MR. YURKO: Just as soon as he apprized me of the nature of the discussion that in fact was going to be had within UDI, and who the chairman of that discussion was going to be.

MR. CLARK: Mr. Speaker, a supplementary question to the minister.

DR. BUCK: Private citizen?

MR. CLARK: Would the minister be prepared to take part in that discussion if the opportunity were made available to him?

MR. YURKO: Mr. Speaker, I don't believe I've ever had occasion to shun or shy away from any discussion involving my portfolio. So if I'm invited, I'm sure I'd participate.[interjections]

Tax Assessments

MR. NOTLEY: Mr. Speaker, I'd like to change the pace and ask a question of the hon. Minister of Municipal Affairs. Has the minister recently met, personally, with groups or individuals from Improvement District 14 who are concerned about rather substantial increases in their tax assessments?

MR. JOHNSTON: Mr. Speaker, I'm not altogether sure what interval he's talking about, but I have had meetings in ID 14, in Edson in fact, discussing the question of taxation assessment in ID 14.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. minister. Does the minister have any statistics or figures on the number of appeal applications that have been received by the Court of Revision from ID 14 residents?

MR. JOHNSTON: I can't give you a definite statistic. I can say there has been a substantial number, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Can the minister advise the Assembly, in percentage terms, of the upward range of the increase in assessments in ID 14?

MR. JOHNSTON: Mr. Speaker, again I can't give you those kinds of statistics. Of course it would vary from parcel to parcel and assessment to assessment. I can advise the House, however, that there have been dramatic increases in assessment, because the last assessment was not completed in ID 14 since 1969. Through that period, as everyone knows, there's been substantial inflationary pressure on land values, particularly in that area.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. It is my understanding that at a Court of Revision hearing, ratepayers have the right to demand that the assessor produce the formula on which the assessment or reassessment was based. My question to the minister is: was this formula made available to local residents prior to the Court of Revision so in fact they could use the formula in order to make their case?

MR. JOHNSTON: Mr. Speaker, there has been a substantial amount of communication back and forth with the residents of ID 14. Certainly, representation given there by the MLA has been very positive. He's acted as a mediator between the ID administration [interjections] and has very well reflected the policies of the government. I'm sure he's been able to explain, as far as possible, the very technical . . .

MR. CLARK: As far as possible.

MR. JOHNSTON: . . . and highly complex — because it's a very technical and highly complex area of assessment. Clearly the way in which property is assessed is universal information if you want to check it out. It's not clouded; it's not secretive or sub rosa in any way. It's available to everybody who wants to pursue it.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Can the minister advise whether the reassessment was based on all sales of land in the area, or selected sales?

MR. JOHNSTON: Mr. Speaker, I believe the hon. member wants me almost to conduct the assessment myself. But of course my job is much more varied. I can advise that, of course, in a normal way . . .

DR. BUCK: And it takes a long time.

MR. JOHNSTON: . . . the question of determining market value is always difficult. But there is a random check, presumably with a substantial size sample, which gives them a general trend toward land prices on particular classes of land parcels. In my view it's been carried out very fairly.

Education Funding

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Education and ask if it's his intention to advise school boards and members of the teaching profession what kinds of increases school boards can expect for the year 1978. Does the minister expect to advise those groups prior to the end of this year, as he did last year?

MR. KOZIAK: Well, Mr. Speaker, last year I didn't announce the increase at the November convention of the Alberta School Trustees Association.

MR. CLARK: You announced it before the end of the year?

MR. KOZIAK: That is correct, Mr. Speaker.

MR. CLARK: That's what I'm asking. Are you going to do it again?

AN HON. MEMBER: He's just answered it.

MR. SPEAKER: Order please.

MR. CLARK: Perhaps I could rephrase the question then. Should the trustees come to the ASTA convention to hear the minister announce what changes are going to be made in the foundation program for next year?

MR. NOTLEY: You've got to get a crowd out somehow, Julian.

MR. SPEAKER: Is the hon. leader seeking advice for the trustees?

MR. CLARK: Mr. Speaker, they'd take it.

Mr. Speaker, let me rephrase the question to the minister. Is it the intention of the minister to announce, prior to the middle of December, what kinds of increases school boards can expect in assistance from the province next year?

MR. KOZIAK: Mr. Speaker, the assistance that will be provided during the course of the province's 1978-79 budget year is, as the hon. Leader of the Opposition is fully aware, a budgetary matter and a decision made by this government during the course of budgetary decisions. When such a decision is made during the course of the next number of months, the agencies involved will be appropriately advised.

MR. CLARK: Mr. Speaker, to the minister. Can the minister give an assurance that he will do all he possibly can to get that information in the hands of school boards prior to the commencement of the next year?

MR. KOZIAK: Mr. Speaker, we've always prided ourselves on getting information to school boards as quickly as we can after decisions have been made. In fact, in the last number of years, we have been doing that much better than the previous government ever did.

Municipal Grants

MR. CLARK: Mr. Speaker, a supplementary to the Minister of Municipal Affairs. Is the minister in a position to indicate whether he'll be able to advise local governments across Alberta, prior to the end of this calendar year, what increase they can expect in unconditional grants and general grants?

MR. JOHNSTON: Mr. Speaker, I'm not sure when I was going to make the notification.

MR. NOTLEY: You know, a little is unconditional; it doesn't amount to much.

MR. CLARK: Well, that's about right.

Mr. Speaker, let me put the question to the minister this way. Is the Minister of Municipal Affairs in a position to indicate to the Assembly today whether he'll be able to advise local governments in Alberta, prior to the commencement of the calendar year 1978, of the grants that will be available to them in 1978, because that's the year the local governments in Alberta work on?

MR. JOHNSTON: Well, Mr. Speaker, I appreciate the information the hon. leader has given me with respect to their budgetary process. But I can also advise him that last year the budgets of the municipalities were set with a general tenor of constraint. I've been assured by those I've talked to that that will be the tone this year. As to the specific amount, I believe the Treasurer advised the House yesterday that's under consideration.

MR. BATIUK: A supplementary, Mr. Speaker, to the minister. Could the minister advise [not recorded] the government used to make their announcements?

MR. SPEAKER: Order please.

Native Employment Program

DR. BUCK: Mr. Speaker, I would like to direct my question to the hon. minister responsible for native affairs. Can the minister indicate if the provincial government will be actively involved in the federal employment program for native people under the special ARDA program of Department of [Regional] Economic Expansion?

MR. BOGLE: Mr. Speaker, the question of a special ARDA [program] as a division of the Alberta North agreement has been under consideration by this government. My colleagues the Minister of Federal and Intergovernmental Affairs and the Minister of Business Development and Tourism are actively pursuing the matter, as am I.

One of the concerns we have, Mr. Speaker, is that if we move in this direction — and one concern is with regard to the Indian reservations and the Metis settlements in northern Alberta — then whatever work is to be done in the area, we should not look at an area in isolation. We should look globally at the reserve and the area around the reserve, so that if a road is to be built we're looking at a road from the main junction off the reserve, not only to the boundary of the reserve but through the reserve to the main community. This is one of the problems we have had in the past, one of the things we're trying to overcome in the discussions at this time.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. Is it part of government policy that all projects that could be undertaken jointly have to show a proven viability before the provincial government would enter a project?

MR. BOGLE: Mr. Speaker, I'm not sure I understand the hon. member's question accurately. Is he referring to economic ventures or ventures in general?

DR. BUCK: Economic ventures, Mr. Speaker.

MR. BOGLE: Mr. Speaker, over the past two and half years — and I'd like to limit my comments to that period, because that's my involvement with government — the government, through a variety of departments and agencies, has entered various agreements to assist companies, groups, and organizations with economic development. At times, because of the nature of the proposal, it has been an outright grant. At other times it has been a grant with some conditions.

As hon. members of this Assembly will know, we have also assisted, through existing agencies like the native co-op act, guarantees to loans for the companies. There have been loans for such things through both the Alberta Opportunity Company and the Agricultural Development Corporation. So, Mr. Speaker, it's a very wide range of activity, ranging from a grant in some very special cases to the more traditional lending practice through the organizations I've mentioned.

Hospital Funding

MR. CLARK: Mr. Speaker, I'd like to continue my questions with regard to local governments. I'd like to direct a question to the Minister of Hospitals and Medical Care. When might hospital boards in the province receive a firm indication from the minister as to what increases they can expect in financial assistance for the calendar year 1978?

MR. MINIELY: As soon as we've made a decision, Mr. Speaker.

DR. BUCK: It may be a long time.

MR. CLARK: Mr. Speaker, can the minister indicate to the Assembly and to hospital boards whether in fact the minister expects to be able to advise hospital boards prior to the middle of December as to the financial situation for next year?

MR. MINIELY: Mr. Speaker, I have met with the Alberta Hospital Association but have not been definitive with them as to any date.

Health Unit Funding

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Social Services and Community Health. I'd like to ask the minister what indications have gone out to health units in the province with regard to their anticipated budgets for the year 1978.

MISS HUNLEY: There would have been no firm commitment of funds, Mr. Speaker, because that firm decision has not yet been taken.

MR. CLARK: Mr. Speaker, supplementary to the minister. Does the minister anticipate she will be able to advise the health units, prior to the end of this

calendar year, what kind of financial assistance they can expect next year?

MISS HUNLEY: Mr. Speaker, I expect to be able to advise the health units as soon as I know the information myself.

ORDERS OF THE DAY

MR. FARRAN: Mr. Speaker, yesterday the hon. Member for Drumheller asked me a question about training of correctional officers. May I give him a short reply?

MR. SPEAKER: May the hon. minister revert to questions in order to provide a supplementary answer?

HON. MEMBERS: Agreed.

head: **ORAL QUESTION PERIOD**
(reversion)

Correctional Officers — Training

MR. FARRAN: The hon. Member for Drumheller asked how many correctional officers had undergone training. Although there had always been training up to March 1976, after that date a training officer was situated in every institution. There have been 512 on various training courses, out of a total strength of 693.

DR. BUCK: May I ask a supplementary question, Mr. Speaker?

MR. SPEAKER: We haven't run out of time for the question period. If it's a short question and a short answer, it can still be fit in.

DR. BUCK: Mr. Speaker, I'd like to ask the hon. Solicitor General if he could indicate how the program is working out in the area of training where they're using 18- and 19-year-old people as correctional officers.

MR. FARRAN: Mr. Speaker, I think it's working out well. All new correctional officers who come on staff are given a preliminary briefing by the training officer in the institution. Then in groups of 12 to 14 they are given an advanced course, and they receive credits from the community colleges for their training program. That part of it is mandatory.

Other officers who have been in the service for some time can take graduate courses through the Department of Advanced Education and Manpower. These carry certificate credits. At the present time we have 145 on this type of advanced course.

ORDERS OF THE DAY (continued)

head: **MOTIONS FOR RETURNS**

MR. HYNDMAN: Mr. Speaker, I move that the following motions for returns stand: nos. 160 to 163 inclusive, and 166 to 170 inclusive. That would leave nos. 164 and 165 for consideration today.

[Motion carried]

164. Mr. Notley moved that an order of the Assembly do issue for a return showing a list of all companies who have received funds and/or entered into agreements with the government under the Canada/Alberta industrial training program, showing the dates, the number of persons affected, occupation for which training was provided, and the total amount of money involved.

DR. HOHOL: Mr. Speaker, I would like to make an amendment to the resolution. I have discussed it with the hon. Member for Spirit River-Fairview. The amendment to Motion for a Return No. 164 is as follows: a comma in place of the period following the word "involved", and adding the words "during the period January 1, 1975, to September 30, 1977."

[Motion as amended carried]

165. On behalf of Mr. R. Speaker, Dr. Buck moved that an order of the Assembly do issue for a return showing one copy of each of the last 12 issues, including the most recent issue, of New Buildings: Monthly Progress Report prepared by the Department of Housing and Public Works, which outline the monthly progress of all building construction undertaken directly by the government of Alberta.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

1. Moved by Dr. Buck:

Be it resolved that the Legislative Assembly of Alberta urge the government to conduct a full review of the activities of the Public Utilities Board with particular reference to the method by which the rates for natural gas and electricity supplied by utility companies are established, and

Be it further resolved that the Legislative Assembly urge the government, after such review, to introduce the legislative amendments necessary to ensure natural gas and electricity rates which are fair and reasonable to Alberta consumers and to investors in the regulated utility companies.

DR. BUCK: Mr. Speaker, in commencing debate on the designated motion for this afternoon, I would like to welcome hon. members' participation in the debate.

In the past year it has been brought to my attention quite forcefully by many of my constituents and many people across the province that something is

happening to the consumer that seems to be beyond their control. As we well know, we are in the second year of the AIB guidelines on wages and prices. And most telephone conversations start out this way, Mr. Speaker: how come my wages have been frozen to X per cent but my utilities go up 5 per cent, 10 per cent, 20 per cent, and as high as 35 per cent; how come my electricity and natural gas have been doing this? Of course I would never blame the government for this increase in the prices. But the original intent of the Public Utilities Board was to act partly as an arbitrator but mostly as a quasi-judicial body to find out if both the applicant and the person who is not happy with the application for an increase in utility rates — if both sides of the story are fully and properly disclosed. Then a decision is made by that quasi-judicial body. But I have great difficulty in explaining to my constituents why they have been frozen but our utility rates have not.

Mr. Speaker, just a small example of what has happened. In the early winter of 1974, which was a fairly mild winter, this person had budgeted \$7.50 for his natural gas bill. Three years later we see this same house — and the last years have been mild winters — that utility has gone up to \$27, nearly triple. The man's wages, Mr. Speaker, have not tripled. People who work for utility companies, who have to collect the bills, who have to write the bills out, expressed to me that we have been very, very fortunate that the last three winters have been mild. One gentleman I know quite well — and I respect his judgment — says that because the winters have been mild, people have not realized what has happened to utility rates.

Mr. Speaker, the problem is wide-ranging, but the reason I believe this resolution is timely is that we want to know if the Public Utilities Board is serving the function it was set up to serve. That is why I welcome discussion from all members of the Legislature.

Of course the discussion of the problem has a broad context, Mr. Speaker. Most utility companies are in the energy business, and certain projections are that certain forms of energy consumption in Alberta will almost double every 10 years, and multiply at least seven times in the next 40 years. So far most of our energy resources are non-renewable, and we are becoming increasingly aware of the danger of resource depletion.

Therefore, Mr. Speaker, when dealing with non-renewable resources, the Public Utilities Board must recognize that besides setting policy for the price of the commodity, it also determines, in effect, the rate of depletion of that resource. With increasing scarcity of energy resources, combined with the national and international problems of inflation, the Public Utilities Board is no longer involved in the economy on an infrequent and modest basis. One doesn't have to read the large local newspaper too often to find that rate increases keep appearing and coming up before the Public Utilities Board, and in most cases go through practically unopposed.

The Public Utilities Board is increasingly active in regulating an increasingly important and expensive sector of the economy, Mr. Speaker. With the increasing complexity of utility company financing and accounting, it is increasingly difficult to understand the real financial situation: their assets,

revenues, costs, profits, et cetera. Mr. Speaker, when we move into that context I will indicate further how the small opponents of the rate increases really don't stand a chance, and am sure that members who were on this side of the House and are now on that side of the House appreciate that it's a sort of one-sided battle.

Mr. Speaker, there are accordingly, when we're speaking about hearings before the board, increasing demands of expertise placed upon the Public Utilities Board, its staff, and the interviewers who come before it. The board is supposed to have this type of expertise. I noticed with some degree of interest one of the new appointments to the Public Utilities Board, a member who used to sit on this side of the House . . . I wish him well in his deliberations, and I'm glad to see the government has seen fit to find a spot for him and return him to this province. I hope the hon. minister didn't have anything to do with his nomination. But I'd never ever think that had anything to do with it. The man is capable of doing the job, but it is sometimes a coincidence. The thing is that the whole problem is becoming more and more complex, and the man on the street seems to think he doesn't have a chance when he gets to appear before the Utilities Board.

With the subjugation of Alberta workers to AIB guidelines, there is a special need to achieve equity as regards the increases of utility rates and profits relative to the workers' modest increase in wages. I started out by saying this was really one of the reasons I thought this resolution would be timely, because it's what the man on the street is saying. He's saying, our wages are frozen but the utility rates keep going up and up.

Mr. Speaker, I'd like to forward to the members of the Assembly for their consideration some suggested terms of reference on the review of the Public Utilities Board, so a full review of the activities of the board should at the very least address the following questions. Does the social composition of the board adequately represent the breadth and diversity of the Alberta public? It's very difficult to get a board of any variety that will give us a cross section of the Alberta electorate and the Alberta public, and at the same time have the expertise that is required.

Secondly, are the board members considered altogether competent to fulfil their responsibilities and thereby protect the public interest? These people have to have a great deal of competence to know. All the hon. members have to do is know that when they are sitting on legislative committees, as the hon. Minister of Public Works and I had the privilege of sitting on a legislative committee when we discussed automobile insurance . . . Boy, they bring in some high-priced help. We who are members of this august body think we have a little bit of talent, but when you bring in all the experts, and we as laymen have to sit in and listen to some of the discussions when this high-priced help is trying to tell their story — it would certainly be nice to have that much high-priced help on your side so you could understand what these people are trying to tell you. The only person of course who could understand was the hon. Minister of Public Works. But you know, we're not all that brilliantly, intellectually gifted.

SOME HON. MEMBERS: Agreed.

DR. BUCK: Some of us are humble. Mr. Speaker, that is the problem. These people have to be expert in their field.

Thirdly, is the method by which board members are appointed the best method possible by which to ensure the continued quality of board composition? As I say, the last gentleman appointed — I respect his abilities and I hope he does a good job, an impartial job, which I'm sure he will do. In the appointment of board members and in their day-to-day activity, we'd like to know: are there adequate safeguards against any conflict-of-interest situation?

We did see where an action before the courts held up the hearing of the Public Utilities Board. I'm sure my learned friend the hon. Minister of Labour, who is a lawyer, watched that with great interest to find out if possibly one of the members of the board [who was] making a representation was in a conflict-of-interest situation. That gentleman had a fairly nice political pedigree, but the man has abilities so that's okay.

Next, has the board adequate support staff and resources to perform effectively? Mr. Speaker, as I mentioned just a minute or two ago, the people who come before these boards to present their side in asking for a rate increase are prepared to the teeth with the best experts money can buy — the hon. Minister of Municipal Affairs was smiling when I said prepared to the teeth; I guess that may not be a good term for a dentist to use — but very, very adequately prepared to come to these hearings before the Public Utilities Board.

Another question we should ask: has the board access to all information, especially financial data of the utility companies, essential to knowing the full extent of both sides of the issue within the purview of what's being studied? Next, recognizing the board itself is a quasi-judicial institution, and thus by definition not an advocate, is there adequate provision for intervention by public interest advocates, and is there adequate provision for such interveners to recover their legitimate costs? It's always interesting, Mr. Speaker, to go into any type of action or hearing. Be you a private citizen or an intervener, when you appear before the Public Utilities Board, who's going to pay your shot?

I'd like to indicate to hon. members of the Assembly exactly what kind of bind a person can get into. In the town of Fort Saskatchewan there were several businessmen who opposed the licensing by-law. They're all taxpayers of this community so, using their own money, they are challenging the licensing by-law. The town, in its defense and in its prosecution, is of course using public money, and these people who are defending this of course are paying both sides of the street. As taxpayers they are helping to prosecute themselves, and in their own defense they are using their own money again. So it's much easier to spend public money to prosecute one of your constituents than it is for your constituents to defend themselves and say, I think we're being had. So I think this question of the recovering of legitimate costs in appearing at these boards requires a very, very close look.

Another area of concern is: given that utility companies often plead for a certain rate of return on equity capital, is the board fully cognizant that utility

companies should, on some occasions, obtain such capital through expanded debt rather than through retained earnings? Otherwise, Mr. Speaker, there's a vicious circle in which utilities demand more profits to enable expansion, and then even more profits to provide a fair return on their expanded equity base.

Mr. Speaker, another point is . . .

MR. YURKO: Those are big words.

DR. BUCK: Big words, big words. I'm glad that probably the only person who can understand them is the Minister of Housing and Public Works, with his great power of intellect. I apologize to the other members. [interjections]

Another point, Mr. Speaker: is the Public Utilities Board fully cognizant that the fair-return-on-investment approach to rate-setting is in effect like a cost-plus contract, in which the company is rewarded for incurring wasteful costs and penalized for being economical? These are just questions, Mr. Speaker. They are not accusations; they are questions we have to ask ourselves when we're reviewing the Public Utilities Board.

Another question: is the Public Utilities Board fully cognizant that the increasing complexity of utility financial accounting — and sometimes maybe only an accountant can understand — if accepted by the board, tends to make the utility company's finances really difficult for the board to understand? And another area: does the Public Utilities Board accurately distinguish utility companies' capital needs for normal expansion, which are properly borne by the utility consumers, from risk or venture capital which should not be borne by these same consumers?

Another area to which I'd like hon. members to address their thinking: has the Public Utilities Board adequately considered the issues and principles relative to the setting of different rates for different classes of customers? I was not able to attend a meeting in an area of my constituency where we were discussing recreation complexes — one in particular — but a point was brought up: should these recreation complexes be treated as commercial bodies? Their rate of course is much higher than a non-profit organization, and they are being charged the commercial rate. When you're trying to scramble up a \$20,000 debt repayment every year, this is a major factor. So this is an area we certainly should be looking at — some of the different classes of customers.

Another area of concern: does the Public Utilities Board adequately consider the implications of its decisions for the optimal allocation of scarce energy resources today, as well as their conservation for the future? We have to look at whether these escalating costs are meant to be a deterrent, or are they just going up.

So, Mr. Speaker, there are areas of concern. As a member of government, when we were the government, it always used to baffle me why any government would like to place itself in the position when, say, the economics of the province are not in the best of shape — you know, when farm income is down, when things have been a little bit slow — where the Public Utilities Board grants an interim increase on natural gas or electricity. Who do our constituents come running to? They don't run to the Public Utili-

ties Board saying, look, why did you grant X company a 20 per cent interim raise? So the government has to mumble along and say, well I guess there had to be a good reason, and so on, and I'm sure when the public hearings come forth we will all find out why the 20 per cent interim raise was granted.

As a practising politician I just couldn't understand this line of thinking, why any government should place itself in that kind of position. When these interim rates are granted, very few of them are ever repealed. I'm sure the Minister of Utilities and Telephones can tell us of the odd, isolated instance, but not that many of them. So really the man in the street says, why are we going through this charade of appearing before the Public Utilities Board? They're going to get their rate increase anyway.

Someday there may be another government, and I hope I get to form part of that new government. I think this is one area I certainly would have a look at, because I think the board grants the increase and the politicians get the flak. I like to have it the other way around where we get the good news and somebody else gets the flak. The government handles that pretty well, when you look at conditional grants to municipalities and stuff, you know; we're the good guys and we give the funds out, and the local councils, school boards, and hospital boards get the flak when there isn't enough. That's a better system for the politician.

Another area relating to the interim increase is when the REAs, and many of these people, go before the PUB they just go there really at times, I would say — and I'm not trying to be demeaning to the people who are acting in defense of the applicants, or saying the rates should not be adopted. They almost go there to go through the motions, because they know the REAs should go there and protest the increased rates. But they know the dice are really loaded. They just haven't got the funding, they haven't got the availability of experts that the large utility companies have, and they feel it's almost a fixed ball game.

Another area of concern, Mr. Speaker — I'm sure the Minister of Utilities and Telephones has received as many letters and telephone calls as the MLAs — is what has happened to the rapidly escalating rates for AGT. Because if our Public Utilities Board is functioning, it is granting the raises. But when it's granting these raises . . . The way the PUB works, as far as I can ascertain, is that because utilities are monopolies, they are regulated by the PUB, but they are regulated so they make a guaranteed basic return. So having that as the basic premise, they just have to justify how they arrive at their costs, et cetera. But they still get that basic return. With the escalating rate increases with AGT, I'm sure the minister can indicate what has happened. Has the PUB failed, or is the process under which the PUB works not right? I'm sure the minister can enlarge upon that for us.

Mr. Speaker, I would like to say in summary that I hope some members of the government side, and especially the minister, can give some answers to the questions I raise. Basically the question Albertans are asking is: why are these rates increasing so drastically? We could go around on the gas co-ops and the REAs. But that's a different debate, and we can have that at some other time. But what people are asking is: our wages are frozen, we have agreed to the AIB guidelines, but what has happened to the rapidly escalating costs of our utilities?

The last point I would like to leave, especially with the minister, is the problem in relation to the rural gas co-ops, where they are serving a rural area and then the urban area is moving out to this rural area being served by the gas co-ops. I'm sure the minister is aware. We will remember an instance in the city of Edmonton, a long, ongoing fight between Edmonton Telephones and AGT in the Jasper Place area which, I would like to say, probably contributed a fair amount to the demise of the former government because this problem was never resolved. So in having the urban areas spill over into their areas, the rural gas co-ops lose that portion of their utility franchise area which, in many instances, could give them a good concentration of close-placed residences and businesses and give them quite a boost.

Mr. Speaker, I would like to say that because we've had the Public Utilities Board in place in its present form for a long, long time, I think this is an excellent time for us to review: is the Public Utilities Board really functioning to serve the best interests of the people of this province?

Thank you, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, in a free enterprise economy such as the one in which we live there are primarily two ways for the consumer to get the best price. The first one is through the competitive method where businesses compete. In order to meet the competition, the business must keep its overhead to a minimum and make sure its expenses are kept to a minimum in order that the consumer will get the best price. That undoubtedly is the best method ever achieved of giving the consumer a fair shake and the best possible price.

However, in a free enterprise system where there is no competition, and where a monopoly is given to a business, the market place does not have any bearing. To endeavor to give the consumer the best price, we devised the method of having a board that would set the maximum profit the utility or the said company would be permitted to have.

In talking about utilities we are talking today about monopolies operating in a free enterprise system, but operating as a monopoly. Throughout the years we have always said the major function of the board of public utilities commissioners was to protect the consumer. I believe that is still the major function of the board of public utilities commissioners.

In checking the act, however, I find that actually it has taken upon itself another function. In addition to being the defender or protector of the consumer, it has a responsibility to ensure the financial viability of the utility. The two really have to go together. If a utility failed and we pushed the button on the wall and the lights didn't come on, we'd be very concerned. Or if we turned on the gas after we put the match on the burner and it didn't light, we'd be very, very concerned. I think the board has a proper function in making sure that the financial viability of the utility is ensured.

The problem is trying to work the protection of the consumer with the viability of the company. That's really the question I want to deal with today, and to see if we can come to a conclusion whether the board of public utilities commissioners is meeting those two particular responsibilities.

The first thing I want to look at is the rate increases

for a couple of the electric companies and a couple of the gas companies. I'm checking these on the basis of reports from the board itself, which I think is the authority, in regard to the years '75, '76, and '77. Now there may be some question in taking those three particular years. But I had to decide whether I wanted the three most recent years or I wanted to go back to years in which the people were really not concerned. I'm going to look at Alberta Power and Calgary Power, two of the major electrical companies of the province, and see what's been happening in '75, '76, and '77.

Taking Alberta Power Limited, which operates in my constituency, in '75 two rate increases were granted by the board. One, July 1, increased the rate for people consuming 500 kilowatt-hours per month by \$3.08. On December 1 another increase was given to Alberta Power to increase the same rate for people using 500 kilowatt-hours per month in Drumheller to \$1.37. I would ask the hon. members to note there were two applications. There were two increases. The costs of both applications were added to the bills of the consumer. The cost of the interveners in both applications was added to the bills of the consumers. The question I pose now, which I hope we'll answer later, is: should a company the size of Alberta Power be in a position where it can surely estimate its budget for one year at least, instead of making an application every six months? The Alberta government, which is a bigger business, estimates its expenditures for one year. While it's not completely comparable, I think it's somewhat comparable.

In the year 1976 there was one application by Alberta Power, and the increase amounted to \$1.17 in this same category. In '77 there was one increase, but what an increase. On August 1 the increase was \$4.38 per customer for consumers in the city of Drumheller who are using 500 kilowatt-hours per month, and we're not through '77 yet. I now hear rumors — although I haven't got confirmation of it from the board or Alberta Power — that another application is being made by Alberta Power for an increase effective December 31 or January 1, 1978. Leaving that one out because it's not certain — it's a rumor at this point — in three years the bill of consumers in Drumheller using 500 kilowatt-hours increased \$11, from \$13.25 at the end of 1974 to \$24.25 right now. So hon. members can understand the concern of the people, particularly when their wages were controlled by the Anti-Inflation Board.

At my meetings in the valley the people would say, we generally approve the anti-inflation measures, but they should be applicable to everyone, to everything. If our wages are frozen, how are we going to meet the increased cost? And I don't have the answer. How are they? One group of senior citizens, one family, a husband and his wife, had to give up their home. They didn't have enough income to continue to meet the increased cost. As much as they hated to do it, they had to move into a lodge. You know, this part is bad. It's affecting those on fixed incomes the most. But it's also affecting those on wages, because the wages were controlled. And when you have an increase, as we did in the middle of the year, of \$4.38 added to the bills in that category, it's pretty serious. Altogether, the increase over those three years amounted to about 84 per cent — an 84 per cent

increase, whereas the others were confined to 10 per cent. So I think every hon. member can understand why there's unhappiness and dissatisfaction among the rank and file of our people.

Now let's look at Calgary Power and see what the situation is there. Calgary Power also operates in parts of my constituency, in the southern end. In 1975 there was an increase of \$1.73. In 1976 there was an increase of \$1.29. On January 1, 1977, there was an increase of \$1.04. These were really modest increases, considering how everything else was rising, and were almost within, if not within, the bounds of the guidelines; a little bit above, but not very much. So the total increase by Calgary Power in those three years was \$5.06, about a 45 per cent increase over the whole three years, based on the price that was in effect on December 31, 1974, as against \$11 by Alberta Power. The question immediately comes: why are these two companies, operating within a similar area, having such a differential in their rates? What is the reason for it? I think that's what we're going to have to ascertain.

Let's go to gas and see what's happening there. Plains Western Gas, which operates in the Drumheller area — and these are based on the consumption of 215 MCF a year in the city of Drumheller — in 1975 there was one increase of \$3.75 per household. In '76 there were two increases, one in February and one in May. The one in February was \$1.10, and the one in May was \$1.09. So during that year there was an increase of \$2.19. But then we come to April 1, 1977, when the increase granted by the board to Plains Western provided an increase of \$12.06 for the homes in Drumheller using this consumption, a tremendous hike. So again, over the three years Plains Western had an increase of 80 per cent.

Let's look at Northwestern Utilities, which operates generally in this area. In '75 they had three applications and three approvals. Again I point out to hon. members that three applications — one approved for May 1, one approved for June 1, and one approved for September 1, all in '75 — meant there were the costs of three applications, the costs of interveners for the three. The first was 83 cents; the second, June 1, was \$3; the third, September 1, was \$2.95. The year '76 gave two increases to Northwestern Utilities. On April 1, 1976, there was an increase of \$1.62 for households in this category; on December 1 an increase of \$3.30 for people in this category. Then we come to '77, where the increase on April 1 was \$2.79, and on July 1 was \$1.62, giving a total increase in the three years of \$16.21, or a 63 per cent increase over the three-year period.

Canadian Western Natural Gas is interesting too. They had two increases in '75 — and this is based on the consumption of 215 MCF a year in Calgary — \$3.08 on July 1, and \$2.15 on August 1. In '76 there were again two increases: \$1.68 on June 1 and .91 cents on December 1. In '77 to date there have been two increases: \$2.69 on March 1 and 69 cents on July 1, or altogether \$11.20 over the three-year period, or an increase from the rate that was in effect on December 31, 1974, of 90 per cent. Those are the increases that cause the consternation.

Now I think we'd like to just look at one other figure for a moment. I find it on page 51 of the board's own report, where it says the annual bill for the average natural gas customer in Edmonton has risen 194 per

cent in 1977 as compared to 1970. In Calgary the increase was 145 per cent in the same period. Now the question that bothers me is: while different companies have different expenses and different overheads, the increases are so different between companies, particularly Calgary Power and Alberta Power, that are operating in the same area. I would like to try to find out some of the reasons.

First of all, let's take the cost of the interveners. Under the act an intervener may hire a lawyer, an engineer, or an economist to go before the board, and the board has the authority to charge the cost of that intervention to the company making the application. That company is then permitted to add that to their costs against the customers. So the consumer eventually pays the cost.

The interventions during this period, according to the Public Utilities Board commissioners — with Calgary Power there were four interveners on one increase, four interveners on another, and the total cost was \$145,344. So the intervention meant that another \$145,000 was added to the bills of Calgary Power consumers. With Alberta Power there were three interveners on one, two on the other, and a total assessment of \$69,047 was permitted by the board. The company paid it, then charged it to their customers. With Canadian Western Natural Gas, in four different cases there were 11 interveners, and the total bill was \$225,598 which, again, was added to the bills of that company's consumers. Northwestern Utilities had 11 interveners, and the awards were \$70,000, \$116,000, \$137,000 and some odd dollars.

Now I'm not complaining about that section of the act. I feel that interveners on behalf of the public should be permitted. The rank of file of people just can't find this kind of money to hire economists, engineers, or lawyers to make the presentation for them. But I am wondering if the interveners are all presenting similar material. If so, it would seem an unnecessary bill is being added to the consumers. I think that needs pursuing a little further, to see exactly what this intervention means, and if it is effective in any way.

The next point I'd like to raise is the matter of capital. This is a rather important one. We all know that companies need capital. A growing utility must raise capital from time to time to finance its growth. This is logical. Since the amount of capitalization may be forecast to change during the test year, the board must consider the time in which the capital structure should be determined and the amount of capital structure permitted. In regard to this capital, the board has chosen the device of increasing the debt capital rather than equity capital.

An investor-owned utility is a private company with a monopoly advantage, as I have pointed out. Many people feel it is not unreasonable to ask those companies to sink or swim in the open money markets, rather than requiring a small store owner to continue to carry the burden of the costs of capital they feel they must have. I think we have to be careful to some degree, because if the open money markets were very high, that would redound in further increases to the consumer. But the loss of investor confidence is a thing that worries the board.

When public utilities have been forced to increase their debt capital instead of equity capital in the United States, this loss of investor confidence which

the board fears has not occurred. I think that's an important point. Does the board have sound economic reasons for increasing the debt capital instead of the equity capital? If the equity capital is going to be increased, will the open money market and the loss of investments, the loss of confidence, build the interest rate to a point that will give great concern to the companies and increase prices for the people? I frankly don't know. Economists generally agree that to increase the ratio of debt capital is to increase the risk, and ultimately to increase the cost of capital. I think that's a common assumption among economists. But to my knowledge this has not occurred in the United States, and economists have not determined the point at which this risk takes place. There is no particular point where the financial integrity of the utility, as perceived by the community, is lost.

Therefore I think there is some merit in taking a look at this matter of increasing the debt capital as the method used by the board to increase equity capital. I have not yet been able to ascertain from the board how much they permit companies to charge the present customer for investments destined to serve future populations, future industries, and so on. We expect our utility companies to prepare for the future, but what percentage of that future cost should be paid by the present customer? That is a figure I would really like to know. Are we today, in these hefty increases that have been permitted of the board, paying too high a percentage of the investment for the future? I don't know. But I think that question should be answered. What is the proper share?

Then the point that is very, very disturbing is: are some companies making greater provision for the future than other companies? Does this account for the fact that Alberta Power had a \$4.38 increase on August 1, 1977 — rumor has it they're asking for another increase at the end of this year — an 84 per cent increase over the three-year period, while Calgary Power, whose increases have been very modest, had only a 45 per cent increase over the three-year period. And none of their increases was beyond \$1.73 — \$1.29 and \$1.04; \$5 over the whole three-year period. What is the difference between these two companies? Is one building up a greater debt than the other, or are the customers of Alberta Power being asked to pay too high a proportion of the debt because the board is granting equity debt rather than debt capital against those companies?

I think these questions really have to be answered, and the answer is not apparent. I know it's a complicated structure. I know we have to have utilities for the future. But I know, too, that there is dismay in many homes in my constituency, because people are getting to the point where the increases have been coming so high and so fast with gas and with power that they're worried. I told you that one senior citizen had to move out and go into a lodge; he just couldn't afford to stay in his own home. When it reaches that proportion, I think government does have a responsibility to take a pretty careful look at it.

I would like to deal with the act for just a moment or so. I see my time is just about up. The bill, of course, was not written by this government. It was done setting up the Public Utilities Board as a court taking evidence the same as the Supreme Court of Alberta, et cetera; it does not provide for the minister,

whoever he is, to direct or question the decisions of the board. The minister has no authority at all in those avenues, as far as I can read the act. The minister can, the Lieutenant Governor in Council may, ask the board to carry out reviews, and under Section 82 of the act the board is required every three years to carry out a review of "the affairs, earnings, and accounts of each owner of a public utility" of which the board has previously fixed a rate. Every third year.

But how thorough is that? Are utility companies keeping the costs down or are they using too many men, too many vehicles, too much overhead? Are they paying their directors too much? Are their directors being paid in accordance with the guidelines? Are the vehicles being purchased and exchanged properly along the lines used by the Department of Transportation to get the maximum use out of every vehicle? Are the companies operating just as efficiently as they would have to if there were a competitor across the street with whom they had to compete? I think those are the questions the people are asking. The people are concerned.

I believe the resolution has merit. I would like to see the government — for the reasons I have pointed out, which can hardly be done by any individual member — give consideration to a review of the act and of the activities of the board, to see if improvements can be made and to give the reasons for the points I have raised.

I want to say I have found the members of the board with whom I have had contact to be highly efficient and co-operative. They give me information when I ask for it. I think the government has made an excellent choice in the recent appointment to the board — a man who is an engineer of high calibre and who also has had the experience of being accountable to the people. Of course that is where the Public Utilities Board does not have to answer to the people as an MLA does. I hope that will have an effect on the board, making it even more closely cognizant of what the consumer is thinking and is really able to pay.

I support the resolution. I would ask the government to give very careful consideration particularly to looking into the points I have raised this afternoon.

MR. NOTLEY: Mr. Speaker . . .

MR. SPEAKER: I believe the hon. Member for Calgary Bow caught the Speaker's eye first.

DR. WEBBER: First of all, Mr. Speaker, I'd like to indicate that I too think the resolution before this Assembly is rather timely, considering that utility costs are a concern of Albertans. At least they're a concern of my constituents.

However, Mr. Speaker, of the two parts to the resolution, the first one asks for a full review of the activities of the Public Utilities Board with particular reference to the method used for natural gas and electricity. I wonder why the hon. Member for Clover Bar, who brought this resolution, is restricting this simply to natural gas and electricity. It seems to me that Alberta constituents are concerned with the overall costs of utilities and not just those two.

Secondly, Mr. Speaker, I think the hon. member makes an assumption with the second part of the

resolution. That assumption is that there would be necessary amendments after such a review. Also, I think he is making an assumption that whatever amendments might come about would in fact ensure natural gas rates which are fair and reasonable to Alberta consumers, particularly when it seems as though the business of utility regulation in North America is more of an art than a science, in that a large amount of judgment and discretion is needed with regard to any particular rate increase.

But in spite of that, Mr. Speaker, I am pleased to speak on the motion and outline some of the concerns I have, and also some of the good things that I think are happening with the Public Utilities Board.

We've heard the term "energy crisis" in North America for some time now. We do a lot of talking about it. But I think a lot of people find it difficult to accept the fact that an energy crisis is coming. The Premier made comments during the state of the province address a short time ago, indicating that he expects there would be an energy surplus by around 1979. Mr. Speaker, I think that if that indeed happens it is going to be harder for Albertans and our constituents to accept the fact that there is an upcoming energy crisis.

In Alberta there are a number of significant factors that I think need to be considered when looking at utility costs and the role of the Public Utilities Board. The first one is that our population is increasing very rapidly, and as a result there is a need for more services, including utility services. In the case of the major electric power plants, they need large lead times plus large amounts of capital. The utility companies need to raise the large amounts of capital to meet these future needs. Escalating energy costs and inflation are other factors the utility companies have to consider.

Therefore, Mr. Speaker, I think the financial challenge facing Alberta utility companies today is to secure rate adjustments to ensure that utility revenues are sufficient to attract capital. They have to have a level of earnings so the shareholder will find the companies attractive enough to invest in. That's the challenge facing utility companies.

At the same time, we have got a number of public concerns. These public concerns, as I find them in Calgary Bow, are primarily related to senior citizens and those on fixed incomes. They can't understand the rate increases. They don't like them and they feel powerless to do anything about them. At the same time — and I think this is a growing concern across North America — the public tends to mistrust large institutions, whether it be government, large utility companies, the regulators or the media, or politicians as my friend here says.

Mr. Speaker, the dilemma a politician finds himself in today is, on one hand, his desire to be responsible to the private utilities to ensure that their portfolios are attractive enough to invest in. On the other hand, I guess I could say that a politician does not want to be associated with rising costs. It's a real dilemma. I think there are two major questions we should consider. The first one is: how should governments, regulated enterprises, and regulators respond to growing public concerns with respect to growth, facilities, environmental impact, and rate increases?

MR. SPEAKER: I regret to interrupt the hon. member, but the time allotted by the temporary standing order for this debate has elapsed.

DR. WEBBER: All right, Mr. Speaker. I beg leave to adjourn debate.

MR. SPEAKER: As a matter of fact, it's my understanding that the hon. member doesn't require leave, that the debate is adjourned automatically by the operation of the standing order and that, as a right, he may continue the debate when this order is called again.

HON. MEMBERS: Agreed.

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

**Bill 225
An Act to Amend The
Motor Vehicle Administration Act**

[Applause]

MR. APPLEBY: Mr. Speaker, I would expect the applause is in anticipation of what I'm about to say. I would request unanimous leave of the Assembly to withdraw the bill.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: So ordered.

**Bill 226
An Act to Amend
The Juvenile Court Act**

MR. HYNDMAN: I think the understanding was that this bill be dropped to the bottom of the Order Paper.

MR. SPEAKER: That is also the understanding of the Chair.

**Bill 206
The Alberta Farm Ownership Act**

[Applause]

MR. NOTLEY: I'm sure that hearty applause is due to the fact that, like the hon. Member for Athabasca, I'm going to ask for unanimous consent to withdraw Bill 206. After the pleading and work done by the opposition members of the House, the government finally moved themselves this spring and Bill 206 is no longer necessary. I ask permission to withdraw it.

MR. SPEAKER: Could the hon. Member for Spirit River-Fairview have the requested leave?

HON. MEMBERS: Agreed.

MR. SPEAKER: So ordered.

**Bill 212
An Act to Amend The
Occupational Health and Safety Act**

MR. NOTLEY: Mr. Speaker, I have to disappoint some of my hon. friends in the Legislature. I don't intend to withdraw this bill, so we're going to have to go through the process of debating it.

Bill 212, An Act to Amend The Occupational Health and Safety Act, contains seven or eight major changes, which I am going to describe during the course of my remarks. But to preface my remarks, I think it would be worth noting the 1975 report on industrial health and safety, the so-called Gale commission report. It contains a number of rather significant statistics which I think we should keep in mind when we debate any changes in industrial health and safety, or occupational health and safety legislation in this province. On page 12 of the report it points out that in 1972 we lost 26,126 man-days due to strikes and lockouts in this province, but the workers' compensation report indicates that the man-days lost that same year for temporary injury were 789,323, in short, Mr. Speaker, as a result of temporary injury, almost 30 times more than we've seen as a result of strikes and lockouts.

I often think no one is arguing that we shouldn't continue our search to find better ways of designing labor/management relations, although I've always held that the free collective bargaining system is like Winston Churchill's definition of democracy: the worst possible system except for every other system known to man. But strikes get the headlines, while the time lost due to injury frequently doesn't get the attention it deserves.

A year ago, when this government decided to proceed with The Occupational Health and Safety Act, I and other members of the Legislature joined in supporting that particular move. I would say that the amendments contained in Bill 212 are basically in line with the proposals contained in the Gale commission report. However, several recommendations in the Gale commission report are not contained in Bill 212, because that's really not the purview of private members' discussion. For example, the Gale report suggested a full-fledged department of occupational health and safety. The government chose not to follow that route, but instead to set up a branch of occupational health and safety under the jurisdiction of the Minister of Labour.

Mr. Speaker, there are seven or eight important principles in Bill 212. The first principle would be to toughen the obligation in the act that the employer provide safe working conditions. Changes are recommended which would clearly make it much more an obligation on the part of any employer to provide safe working conditions, within reason.

The second major principle contained in this bill is to follow the recommendation of the Gale commission report that would provide by statute for 50 per cent worker representation on the Occupational Health and Safety Council. I think, Mr. Speaker, if the whole thrust of occupational health and safety legislation is to get off the ground, we have to recognize that it is essentially the dual responsibility of employers and workers.

Another principle contained in the act is to look at what happens if an employer is forced to shut down his concern because unsafe working conditions have been discovered. Who pays for the lost wages? Under the terms of Bill 212, Mr. Speaker, it would clearly be an obligation on the part of the employer to pay lost wages. Frankly I think it entirely unfair if an employer has been operating outside the ambit of occupational health and safety regulations, to find that the workers have to suffer a loss in wages if that operation is closed down as a consequence of this act. It seems to me it must be clearly specified within the act, without any question at all, that one of the responsibilities of the employer is to ensure safe working conditions. If those conditions are not lived up to and wages are lost, those wages have to be paid by the employer.

Another principle contained in the legislation I'm proposing, Mr. Speaker, would be to ensure that the joint worksite committees are automatically involved in the regular inspection procedure. A number of people in the labor movement have underlined the importance of this point as far as they are concerned. They feel it is important that the on-site committee go with the inspector and have an opportunity to state their case, and that after the report is made they should receive a copy of that report. It seems to me an absolute must, if we are to make occupational health and safety a reality in the workplace. As I mentioned before, it really has to be a co-operative endeavor.

Another principle is with respect to joint worksite and health safety committees for any site having 10 or more employees. Members will recall that under the present legislation, passed in 1976, the decision as to how many health and safety committees will be established, and where, is left up to ministerial discretion. This particular change would impose, in the act, the obligation that where there are 10 or more employees at any given site, a worksite health and safety committee would automatically be established.

Mr. Speaker, there are just two additional principles contained in Bill 212. The one I turn to now would strengthen and clarify the right of a worker to refuse unsafe work. Admittedly, some reference is made to that particular question in the act we passed in 1976, but the amendment I am proposing would strengthen that provision of The Occupational Health and Safety Act, so if Jack Jones is working in a shop and finds the safety of the shop or procedure is, in his mind, risky, then he can, on the basis of the imminent danger test, refuse to work and not be disciplined as a consequence.

Mr. Speaker, I think we want to get away from the situation where — we all know that it has existed from time to time. I'm not trying to paint the picture of all employers being hard-hearted types who are going to force their employees to work under unsafe conditions. The vast majority of employers are as interested as employees in safe working conditions, particularly those who come under the provisions of the Workers' Compensation Board. As members will recall, your rates are related to the safety record of your industry, so there is obviously a built-in safety valve, if you like.

Nevertheless, Mr. Speaker, having said that is the situation for most employers in the province, we all

know that there have been examples where people have had to work under conditions that are riskier than should have been the case. The point the labor movement is making is that the best way of guaranteeing that the health and safety of a particular workplace is beyond challenge is to ensure that the worker who has to face that situation day in and day out has the right to refuse work and not be penalized or disciplined as a consequence. This is particularly true in many of the shops that are not represented by organized trade unions.

The final provision in Bill 212, Mr. Speaker, would apply the same concept to paying for the cost of occupational health and safety as we now have with respect to workers' compensation — I should say, almost the same concept, because members will recall that current compensation payments from the Workers' Compensation Board are paid totally by industry. It is only the old awards that in fact are paid for, or at least supplemented from the public treasury. But the ongoing payments to people who are injured are paid as a result of assessments levied upon the employer. The basic proposition behind that concept — now many, many decades old — is that the cost of rehabilitating and compensating the worker should essentially be part of the cost of doing business. I submit, Mr. Speaker, that the cost of administering a program of occupational health and safety in this province is in a similar area, and should be paid for by the employers through a form of assessments.

Mr. Speaker, I want to conclude by saying to the members that the basic proposals contained in Bill 212 are the result of representations I have received from quite a number of people throughout the province. I submit they are consistent almost point by point with the recommendations of the Gale commission in 1975. They are certainly consistent with the spirit, if not the letter of the law, of the occupational health and safety legislation passed by this Legislature in 1976.

In concluding my comments, I would therefore, Mr. Speaker, ask the members of the Assembly to give serious consideration to these changes.

MR. GOGO: Mr. Speaker, I welcome the opportunity of participating in Bill 212, sponsored by the Member for Spirit River-Fairview.

The member quite rightly quotes from the Gale commission of 1975, indeed it was part of the incentive for the government initially to accept the concept of The Occupational Health and Safety Act. The member mentions, as one example, in 1975 the time lost in injuries alone was five times that of strikes. Nineteen seventy-six was no different, except it was about 890,000 versus, I think, 110,000 man-days.

Mr. Speaker, I'd like to comment on some of the points the member has made, the first being Section 4 of Bill 212, where an employer should be responsible for wages incurred if there is a stoppage of work on the worksite. I think it would be particularly difficult for many of the small individual businesses in Alberta. Indeed it would probably put many of them into bankruptcy if, through no fault of their own, the worksite was declared unsafe and if the shutdown lasted for any length of time. The other side of the coin would of course be: what incentive would there be for the workers on the site to prevent stoppage of work due to an unsafe condition? So in principle I

don't believe I could accept that.

If Section 3 of Bill 212 were enacted where this committee of 12 were half management and half labor, we could well get into a situation where that could develop into one of the primary issues. The way it is now constructed is: of the board of 12, one-third is from management, one-third from labor, and one-third from the so-called expertise — that would be the professional group. It's interesting to note that two other provinces in western Canada with similar legislation have their committees structured in such a way. In other words, no precedent has been set as yet where the committee is broken down directly between management and labor.

Regarding the question of costs, the hon. Member for Spirit River-Fairview says they should be borne by the employer. The Gale commission points out in its 1975 study that it should perhaps be shared equally between labor and government. At the present time, as members know, it's paid for by government jointly with the WCB.

Looking at Section 8 of the bill whereby "A worker may refuse to do any act or to omit any act or order . . . where he has reasonable grounds to believe . . ." I suppose that's really a matter of definition. One would have to get into the interpretation of what would be imminent danger. I think Bill 212 would call for substantive changes, and I question whether they would be either necessary or in order.

I think the main thing, Mr. Speaker, in viewing Bill 212, is that The Occupational Health and Safety Act came about as perhaps a social obligation of this government in recognition of two primary factors: one, the loss of productivity which on a national scene is reflected today in the value of our dollar; and two, the tremendous loss in terms of human power through carelessness on the job site. In fairness, the act has only been in place almost a year. We have a committee established — I believe members of this House are on that committee. I honestly don't believe, Mr. Speaker, that the act has had enough experience to pursue the changes recommended by the Member for Spirit River-Fairview. On that basis, Mr. Speaker, I would oppose Bill 212.

Thank you.

MR. HORSMAN: Mr. Speaker, in participating in this debate, I wish to make a few points. I don't intend to comment on every section of the proposed amendments to The Occupational Health and Safety Act, which is a relatively new piece of legislation in this province. I supported the introduction and implementation of this act when it first came before the Assembly last year. And I think I am one of the members who may be affected a great deal by the operation of this act because of the very high level of industrialization within my constituency. It is for that reason I was anxious to see the act implemented in the first instance, and I have taken an interest in how it is working at the present time.

However, I do wish to make two or three points. The first is with regard to the composition of the board. The act presently calls for a council I should say, not a board, which is called the Occupational Health and Safety Council, consisting of not more than 12 persons appointed by the Lieutenant Governor in Council. The proposed amendment contained in Bill 212 would add the words "of whom at least six

shall be workers". Those of course would be workers according to the definition in the act, meaning persons who have an occupation in "any employment, business, calling, or pursuit designated by the regulations . . ."

I wish to disagree with the intent there and to put my concern this way: I very much fear the establishment of specific categories for the members of boards such as this, because I believe that what tends to happen, when that is done, is for set positions to be taken by the members of the boards. In this case I think it would be an unfortunate direction to take. At the present time, the composition of the council has one-third workers, one-third employers, and one-third from the public or academic and professional community. My understanding is that this composition of the council is working quite well. It is working well I think, Mr. Speaker, because nobody is really trying to represent the specific views of one or other of the segments of society represented on the council. That is why I'm not particularly enthusiastic or supportive of the concept that we should start designating the type of makeup of a board of this nature.

Unless I am wrong, I believe the same principle has been adopted with regard to the Board of Industrial Relations under The Labour Act, and once again, with respect to The Public Service Employee Relations Act, there is no specific designation as to the representation that should be put into the makeup of the board. I think the basic principle behind that is sound, that once a member is on the board, the member is there to represent everybody affected by the act, not just a specific group such as employers, employees, or the general public. Therefore, I'm not enthusiastic about the particular section of the act that is proposed to be amended by Bill 212 in that regard.

One other section I wish to comment on — and I must say I am puzzled by this proposal to rule out appeals to the courts under Section 11 of the present legislation. I think it may very well be that the idea is to cut out a lot of legal expense and so on, which may have its merits, although I don't always agree with that concept, having regard to my background, Mr. Speaker. I think it's often useful to have lawyers employed, particularly in regard to new legislation, because in the . . . I hear some feeble applause.

MR. NOTLEY: The Member for Calgary Buffalo?

MR. HORSMAN: I say this of course in a light-hearted vein, Mr. Speaker. But I do believe a very basic principle is involved in the question of having appeals to the courts, particularly from quasi-judicial functions performed either by boards or councils, as in this particular section. Particularly in new legislation where we are breaking new ground, I think it would be a very serious error to eliminate appeals to the court as proposed in the hon. member's Bill 212. It's not just a matter of my concern for my own profession that I say that, I can assure you, because I do think that the type of power which is given to the council under Section 11 is a very significant power, and I think the court should have the opportunity of reviewing the exercise of that power.

The other point I wish to make relates to the question of the attempt in this bill before us to impose the cost of this entire operation on the employers. I certainly reject that concept. We are, after all, break-

ing new ground with this legislation, as I have said earlier. The employers are interested, of course, in providing occupational health and safety for their workers. The hon. Member for Spirit River-Fairview was generous in his comments with regard to the attitude of employers in Alberta, and I appreciate that. I'm sure the other members of the Assembly appreciate that as well, because in fact the employers in this province have done a great deal toward providing safe premises and safe working conditions for their employees.

But when we are dealing with new legislation of this kind, and because it is an initiative on the part of the government to deal with this matter, I believe it is a legitimate expense for the government to assume at least part of the operational costs of this particular type of legislation without imposing on the employer another tax which, in effect, is what it would be; also, because it may be difficult until we reach the stage where there will be a wider coverage of employees, through these worksites, to work out an equitable system of distributing the cost among the employers in the province. So I'm not enthused about that prospect, and would not support that particular section of the bill before us today.

One other point I would like to look at as well, which I think is really the most difficult aspect of Bill 212 and one of the most difficult aspects of the legislation. That is, of course, with regard to Section 8 which would strike out Section 27 of the present legislation and substitute different grounds for the right of a worker to refuse unsafe work. Certainly this is one area the government is examining with a great deal of care. It is always difficult to know just how to deal with this particular concern. No employer really wants his employees to have to undertake work under dangerous conditions. But I think there may be a very real fear on the part of employers that this is one area which might lead to some form of abuse on the part of individual workers, or even, under certain strained relationships, between employers and employee bargaining agents — an area where abuses might creep in.

I suggest, Mr. Speaker, the definition provided in Bill 212 by the hon. Member for Spirit River-Fairview has in fact gone too far. It has left the area too wide open and might lead to abuses of the legislation. Certainly the intent behind this legislation is to see that workers are provided with safe working conditions. It is not to be used as a lever by employees to gain other ends. Therefore I think we have to reject the definition provided in Bill 212.

That's not to say, however, we should not be taking a very good and continuing look at a better definition than we perhaps have in the act today. In that respect I think it would be very useful for us to rely on discussions with the present and future councils, as to how we can improve the wording if, in the opinion of the council and the government and from experience; we find the definition now in the act is not satisfactory. I'm sure the Minister of Labour is amenable to suggestions as to how the wording of the entire act, as well as this particular section, might be improved.

Mr. Speaker, I wish as well to say I think it's important that this legislation being relatively new and really just going into operation . . . Because of the circumstances of Medicine Hat and Redcliff being

highly industrialized, I would like to refer, if I may, to the steps I felt it was necessary to take with regard to obtaining input at the time the legislation was introduced and since that time. When the legislation came forward in the first instance, I was in contact with the various chambers of commerce, the municipal governments, and in particular with the Medicine Hat and District Labour Council of the CLC. I had asked for comments from the Labour Council, and I was pleased that they responded to my request.

I look back to last year's letter and I see the hon. Member for Spirit River-Fairview received a copy of the letter which had been addressed to me, as well as the hon. Neil "Crowford", and other people in the Assembly as well. The objection at that time, and a fairly stated objection, was that the bill did not provide for compulsory joint health and safety committees at every worksite. I see the bill before us today provides that we would be required to have this type of committee available whenever there are 10 or more employees. That would be a very ambitious undertaking for this new legislation. No doubt we will be moving to increase the type of worksites over the years as we obtain the experience which is so necessary to make sure the legislation is working properly, and for the intention set out in the original legislation.

The Medicine Hat and District Labour Council objected, as does the Member for Spirit River-Fairview, to the fact that only part of the costs of administering the occupational health and safety programs will be borne through assessments on employers. I responded to that correspondence in June last year, and I thanked the council for the input which they had. I asked as well that I be kept informed of their concerns and their views on how the legislation was working and as to [how] refinements and improvements to the legislation might be brought about after the legislation was tested by use. To date I have had no further input from the council, and I'm not saying this in any critical sense. I know the council is an active and vital force in my constituency. I appreciate what they are trying to do on behalf of the workers of Medicine Hat and Redcliff in many areas, and certainly in this particular area. However, I think it is fair to say, Mr. Speaker, that not having had any further input from the council, they are relatively satisfied, or at least not totally dissatisfied, with the experience we are having in Alberta with the legislation. I think that's a fair assumption. As I say, I will try, and I have offered to make myself available to the Medicine Hat and District Labour Council at any time to meet with the executive or their general membership, to discuss policies of the government with respect to areas of mutual concern, particularly with regard to labor legislation and this legislation before us today.

I'd also like to say, Mr. Speaker, I am very pleased indeed that a gentleman from my constituency has been appointed to the council. From time to time I have met with him and discussed the operation of the council and how it is progressing to bring about the legitimate and meaningful ends of this legislation for the workers of Alberta. I've been pleased, quite frankly, to hear reports of a sense of co-operation among the various sectors of our society. I intend to keep up that contact, and hopefully to learn as we go along in our experience with this act where things need im-

provement and how things are coming along with regard to implementing the true intent which is, of course, to provide safety for the people employed in this province.

I think it has already been pointed out that a comparison of man-days lost in Alberta due to strikes, lock-outs, and injuries indicates that between 1970 and 1974 strikes accounted for only 11 per cent of the lost man-days in the province, and injuries accounted for 89 per cent.

With the shift in Alberta's economy toward increased industrialization, whereby we will be processing our agricultural goods and other natural resources such as petrochemicals in this province, bringing them to a finished form for export outside the borders of Alberta and indeed of Canada to the world, this type of legislation will become increasingly important. I think we all recognize that. Therefore I feel we should be taking a careful look, as we go along, at the operation of the council and the various other aspects of the legislation, so we are keeping up with what is happening to the province with regard to our economic development and diversification.

So, Mr. Speaker, while I cannot agree with very many sections of the bill introduced by the member today, I certainly welcome this opportunity to express my support once again for the concept of occupational health and safety, and indeed to compliment the minister and the council for the work they have done in the past several months toward implementing the intention of the legislation, so that we will, as best we can as legislators, provide a climate in this province that will bring about safety on the worksite: safety for employees coming to our province and taking up industrialized jobs, not only new jobs in new industry but jobs in industry that have been in existence in many areas of the province for a long time. In fact, in my constituency there are many long-term manufacturing industries dependent on natural gas in particular and, of course, this legislation will apply to them as well as to the many new industries being located in this province to process and develop our natural resources and our agricultural products.

Mr. Speaker, while I cannot support the bill in its present form, I do look forward to continued review of the terms of The Occupational Health and Safety Act and its continued operation, because it is of real concern to all of us in this Assembly and to the people of Alberta generally.

MR. HYLAND: Mr. Speaker, as I take part in this debate, I would first like to say that I congratulate the council and the minister on their first year of operation of the new Occupational Health and Safety Council. I'm somewhat surprised there are amendments before us so soon, before this totally new concept has really had a good chance to work, and really to find out what the bugs are.

As I look through the amendments to Bill 212, one section suggests that at least six of the people should be workers. I think the group we have there now are very outstanding people. I know at least one of them personally. We've been accused many times in this House of having closed government. I think in this case we have a body of workers, employers, and public at large so that everybody gets their input. I think it is very important to have the public involved in many of these things. This is why I support the

concept the way it is now and not as suggested in this motion.

In another section, Mr. Speaker, it suggests joint safety committees on every site. I believe there are at present approximately 90 sites — Mr. Minister, if I'm right — that have joint work committees. If we had them on every site, there might be some very real problems. As I understand it now the committees have had workshops — they have gotten together, talked about their jobs, so they will be able to take a real part in the safety of their fellow workers. I think this is very important. If we had the number of committees at every site, it would be virtually impossible to have the workshops and various other activities so these people would be able to get together, to learn, and really help out their fellow workers.

Mr. Speaker, I find that section is not even in the same type of legislation in a couple of other provinces, neither Saskatchewan nor Manitoba. I find it somewhat interesting that the member with the same political philosophies as at least one premier and one former premier would find that they're wrong, that they think the same way we do. He would project that these councils be set up in the way he suggests.

Mr. Speaker, in Section 9 of the proposed Bill 212, there are two words that seem as if they wouldn't do a great deal of harm. They are "part of". If one reads the existing act where it says "part of", they are indeed very important. Important in that they put the total cost of operation of occupational health onto the employer. I believe, Mr. Speaker, we have to make some very serious assessments of how many more costs we can put onto the employer. If these little costs keep coming along, pretty soon we're going to find they amount to a great deal. Then we're going to have to pass an act — as we have for some birds, for example — to call them an endangered species, and thus stop any more chiselling away at them.

In all sincerity and honesty, surely, Mr. Speaker, there is a part for the government to play, and also for the employee. He must have some responsibility as well, somewhere, in the cost of operation of these kinds of services.

The other object of the cost is, I understand, that the employers pay totally for the workers' compensation program. The thing is, it's not totally covering all workers, whereas occupational health does indeed cover all segments, including those not covered by the compensation system.

I quote from the last line of Section 8 of Bill 212: "... and advised him otherwise in writing." Here, the mover would like the worker to be advised in writing. But I find it odd that he did not object to 35(3) of The Occupational Health and Safety Act, where really a worksite can be shut down by a verbal order. It does not have to be written. I find this a little strange: that he would pick one portion of the act where he would say it should "be advised in writing", while he doesn't suggest omitting this particular section of the act, where it does not have to be in writing. Maybe it's something that wouldn't happen, but here we have this section of the act where the employer could be shut down verbally and the necessary steps be taken, yet when the site was clear and approved to go ahead, the worker would be advised in writing. The employer would really have nothing but a verbal communication, as it's given.

Mr. Speaker, as I have said, I think The Occupa-

tional Health and Safety Act is a very good act. It's a new step that has been taken by this government. I am unable to support this bill the way it is presented, because I don't really think we've given The Occupational Health and Safety Act a proper amount of time and a proper assessment, so we can really find out what the problems in it are.

Thank you.

MR. YOUNG: Mr. Speaker, in speaking to Bill 212, I should first like to make the point that all of us in this Assembly must be concerned with occupational health and safety. The annual report of the Workers' Compensation Board for 1976 shows that 105,836 accidents were reported, claims to the board. Surely in terms of human suffering, in terms of man-days lost, in terms of productivity lost, that has to be a concern. Mr. Speaker, I submit this government recognized it as a concern, implemented the best parts of the commission report, and has in place a most adequate structure under our legislation of a year ago.

The point was made this afternoon that the legislation is new, and has not had sufficient time to provide us with a significant amount of experience on which to judge its adequacy or inadequacy. Mr. Speaker, on those grounds I would not be able to support the proposition before us.

I'd like to say a few words about the attitude I find conveyed in some of the amendments proposed in Bill 212. It's an attitude that we should proceed by regulation, an attitude of, let's not wait for recognition and development of social consciousness. Let's not work at it and try to change people's thinking. Let's regulate them. We see it in a provision for mandatory coverage to begin with, mandatory requirements of joint site committees. Mr. Speaker, I submit that one can expect that attitude and approach because it is fair and truly in keeping with the whole philosophical outlook of the hon. member's party. At least he's consistent.

Mr. Speaker, I would like to suggest that what this country really needs are some entrepreneurs, some business people with a good social conscience. I submit we have them, and that we should help them to understand how they can better implement that social consciousness without regulating them into doing it.

There are a number of problems before our economy and our society, problems of productivity, problems of attitude, problems of overgovernment and overregulation. Mr. Speaker, I think it's incumbent upon this Legislature to carefully think through any propositions which are going to enforce more regulation, more government. Surely we have shown by our actions that we're conscious of the need to improve occupational health and safety.

Mr. Speaker, we have permitted — and so far as I know know, it hasn't been questioned — the Workers' Compensation Board in the area of Peace River to undertake what is called the first aid community training for safety project; to undertake and to pay for that out of the Workers' Compensation Board budget. True, it's a small amount of funds. If it had been larger, I'd be questioning it. But I think it's a useful experiment to see what will happen. We've permitted that sort of project to run, a project in which they are endeavoring, with the assistance of the St. John's

Ambulance, to acquaint a large proportion of the total population in the Peace River block with first-aid techniques. I understand that in 1976 they registered the five-thousandth trainee of that program in the Peace River block. That's quite an achievement. In that year, the total budget of this project was on the order of \$77,000, or thereabouts. That's peanuts, Mr. Speaker — or at least it's a peanut. Fair enough. I submit that it well identifies our concern and shows we are trying to improve in every respect our capacity to improve productivity by avoiding loss of life, loss of limb, severe accident.

In addition to that, through the Workers' Compensation Board, we spent, I believe in 1976, \$2,375,000 for the occupation health and safety training program. That's a fair hunk of money that turns out to be the equivalent of 23 per cent of the administrative cost of the Workers' Compensation Board. Fair enough, but I submit that until the program has had a chance to prove itself, let's not be driving it too hard, let's not be forcing it too quickly. I think it's a good program. I think the attitude with which the government has approached it, the attitude of trying to get support by persuasion, by demonstration, by starting with some, perhaps I can refer to them as seed groups in the industry, and hoping, as I'm sure the minister does, that the beneficial aspects and attitudes created by these groups will rub off onto other employers and maybe other industries. That's well and good. But, Mr. Speaker, I would have to resist most vigorously any attempt to enforce more regulations and more legislation.

Mr. Speaker, when I think of more legislation and more regulation, I am reminded of a situation which happened to me. I have a very small business operation. Twice I have been phoned from Ottawa to find out why I had not returned my reports for the month-end stating how much business had been transacted in my operation for that month. They usually manage to phone me about the twentieth to the twenty-fifth of the month, so I'm given 20 days in which to fill out the form and send it in. Now, Mr. Speaker, if you think about the potential delays in mail, the possibility that because I have a small operation I may not see that form the first time I sit down at the beginning of the month and fill it out. And then you think of some character in Ottawa who's got nothing better to do than to go over a list and phone me direct to find out how much business I've done, an insignificant proportion of the total Edmonton business community, even in my own area. I submit, Mr. Speaker, that's a good illustration of how we have too many impositions and too many burdens on business, and why business people aren't able to free themselves of red tape and regulations. So it is for those reasons that I cannot support the kind of proposition which we have before us here.

Mr. Speaker, I'd like to continue because I'd like to raise the question and debate a little bit in terms of just how much of the cost of a program such as we're looking at here, or the cost of programs such as FACTS in the Peace River block area which are being funded to a large extent by the Workers' Compensation Board and therefore paid directly by a selected group of employers and not by the total business community. I'd like to debate for hon. members, for a few minutes, the philosophy and problems we may be headed into here, but I don't think I have sufficient

opportunity this afternoon in the time remaining. Therefore I beg leave to adjourn debate.

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

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, could I have the unanimous consent of the House to revert to Tabling Returns and Reports so the hon. Minister of Consumer and Corporate Affairs can table a document?

HON. MEMBERS: Agreed.

head: **TABLING RETURNS AND REPORTS**
(reversion)

MR. HARLE: Mr. Speaker, I wish to table the annual report of the Securities Commission as required by statute.

DR. HORNER: Mr. Speaker, I move we call it 5:30. The House will sit at 8.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until 8 o'clock this evening.

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

[The House met at 8 p.m.]

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

Bill 71
The Nursing Assistants
Registration Act

MR. MUSGREAVE: Mr. Speaker, in moving second reading of The Nursing Assistants Registration Act, I'd like to make a few comments. In effect the bill will replace The Nursing Aides Act that does not include nursing orderlies. It provides for the establishment of training programs under the Minister of Advanced Education and Manpower. Under the present act, Mr. Speaker, the board does have authority to establish training programs. However, with the transfer of this responsibility to the Minister of Advanced Education and Manpower, nursing assistants' training will be on the same basis as other trades and occupations; that is, it will not be under the control of the particular trade or profession concerned.

One of the main parts of this bill, Mr. Speaker, combines into one department, Education, the training of nursing orderlies and assistants which at present is under two separate departments.

The board being established under this act will be able to evaluate education programs offered outside Alberta, to advise the Minister of Advanced Education

and Manpower with regard to training programs for nursing assistants, and prescribe examinations for nursing assistants who wish to reregister as nursing assistants after an absence of several years from their occupation. They will be able to set out the rules necessary for fees and registration procedures of assistants. It will also establish and maintain a nursing assistant register.

I'd like to emphasize, Mr. Speaker, that the main function of this bill will be to ensure that the control of the education of nursing assistants is under the Department of Education. The particular board will be able to advise, but the responsibility for courses and programs will rest with the Minister of Advanced Education and Manpower.

By the passing of this act, the training programs will now be the same for orderlies and nursing assistants. I should emphasize that the act does not reflect a change in attitude toward occupation. I think earlier today the Leader of the Opposition queried when the report of the select committee of the Legislature on professions and occupations would be acted upon. I would like to say at this time that this bill does not in any way encroach upon that attitude that will be coming in the future.

This act, along with the Department of Advanced Education and Manpower, will provide the opportunity to operate a training program for nursing assistants and orderlies. This will help get around the criticism of segregated programs. By bringing in the nursing orderlies, they are being given a recognized status in legislation so their position in the health field becomes more evident.

There has been considerable consultation with both groups, which have had discussions with regard to future amalgamation. Under the act, both groups will have equal representation on the nursing assistants' registration board. The act does allow persons calling themselves orderlies or assistants who do not work in hospitals to render service. I should point out, though, that after July 1 if these people continue to want to call themselves orderlies or nursing assistants and if they're working where there is no medical supervisor, they must belong to the association if they wish to use this designation of their work. I think this six-month period should allow those persons affected to comply with this legislation.

Mr. Speaker, I realize all members of the House have been sent a letter by the nursing orderlies. I would like to make a few comments on the letter. They emphasize the position about male patients' privacy. But I wonder if they are conscious of the fact that we can't ask for male nurses in hospitals. We have to suffer under the care of female nurses. I sort of feel there is a little male chauvinism here because . . .

DR. WARRACK: [Inaudible] volunteer.

MR. MUSGREAVE: Yes I'd be glad to volunteer. I remember an Archie Bunker program when he suddenly got hauled off to the hospital and, much to his chagrin, not only did he have a female doctor but she was a Negro. He was in a bad situation.

I'd like to point out that the nursing orderlies were concerned that this bill would prevent an adequate supply of nursing orderlies or assistants for hospitals. I don't think it in any way infringes upon that. The

orderlies commented about there being more male and fewer female nursing assistants, but times are changing. Many years ago there were far more male than female secretaries and, while I sympathize with the nursing orderlies, I don't support their views. At their recent convention they passed a resolution asking that they be kept separate from nursing assistants. They were in effect trying to circumvent the human rights legislation. To ensure that the nursing assistants are treated the same as orderlies has already cost us several million dollars. I don't feel we should agree with them at this particular time.

I should point out to the House, Mr. Speaker, that I have received a letter from the nursing aides, and I will comment on that during Committee of the Whole.

I'd like to commend the minister and her legal advisers for the help they have given me on this, particularly Mrs. Anne Russell. In closing, Mr. Speaker, I would suggest to the nursing orderlies and nursing assistants that this bill will be an important step in the delivery of health services in our province.

[Motion carried; Bill 71 read a second time]

Bill 77
The Natural Gas Price
Administration Amendment Act, 1977

MR. GETTY: Mr. Speaker, I move second reading of Bill 77, The Natural Gas Price Administration Amendment Act, 1977.

As I said when introducing the bill for first reading, Mr. Speaker, this is the companion bill to The Natural Gas Pricing Agreement Act, which is the legislation that presently controls natural gas prices in Alberta. The House changed The Natural Gas Pricing Agreement Act in the spring in three ways.

First, technical changes were made to make it easier to ensure the producer got the benefits of price increases. Secondly, the administration of the legislation was moved from the minister to the Petroleum Marketing Commission. When we first brought in the pricing of natural gas, we weren't sure whether the Department of Energy and Natural Resources, some new commission, or the Petroleum Marketing Commission would handle the pricing. The Marketing Commission had a year of experience with it and have done a very good job of handling the pricing of natural gas. Therefore, in the spring we passed the administration to them.

The third change we made was to take responsibility for setting the Alberta cost of service from the minister and give it to the Petroleum Marketing Commission, as well. If a producer did not agree with it, the Alberta cost of service could be appealed to the Public Utilities Board, and it seemed impractical to have the board ruling on a ministerial decision. I think it's more realistic if the Marketing Commission sets the cost of service. If there is dissatisfaction, the Public Utilities Board is capable of arbitrating it.

So those three changes in The Natural Gas Pricing Agreement Act were made in the spring by the House. We are now proposing the same changes in this act, which has not been proclaimed but would be if we were unable to come to an agreement with the federal government.

I would ask members to support it on second reading.

MR. CLARK: Mr. Speaker, just one very brief comment. Really it's a question to the minister.

Mr. Minister, it really flows from the last comment you made. I noticed just recently a comment in the media that some people in government in Alberta had indicated they felt there were some problems on the horizon as far as Alberta and Ottawa working out an agreement for a future natural gas pricing mechanism is concerned. As a result of his last comment, I want to ask the minister if he in fact anticipates that the province and the federal government are going to be able to continue to work out an agreement in a manner, let's say fairly similar to last year where, if I recall accurately, the negotiations haven't always been in total harmony but an arrangement has been worked out. Or, Mr. Minister, do you see a situation on the horizon where tougher negotiations are once again developing and you want this kind of legislation . . .

MR. SPEAKER: Would the hon. leader please use the ordinary parliamentary form.

MR. CLARK: Does the minister expect that we will have to proclaim this legislation sometime in the near future?

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

HON. MEMBERS: Agreed.

MR. GETTY: Mr. Speaker, it's hard to predict the future of the success of pricing negotiations. However, I guess it's judgment. My judgment is that we're going to be able to continue to have agreement with the federal government on the pricing of energy. That comment could come back to haunt me, having gone through six years of relatively unpleasant negotiations. But I think five of those six years of tough negotiations have laid the groundwork for better understanding that will lead us to an ability to come to an agreement in the future.

I'm not sure what story the hon. Leader of the Opposition was referring to about a problem with future pricing. I do know we're in a bit of negotiation now on the pricing of Syncrude oil. There's an argument as to what quality and what premium for that quality the synthetic crude oil should demand. But we haven't discussed pricing of natural gas with the federal government since the agreement we entered with them this summer.

In answering the Leader of the Opposition, I would say it's straight judgment but I think we're going to be able to agree on energy prices in the future.

[Motion carried; Bill 77 read a second time]

Bill 78
The Attorney General Statutes
Amendment Act, 1977 (No. 2)

MR. HORSMAN: Mr. Speaker, I move second reading of Bill 78, The Attorney General Statutes Amendment Act, 1977 (No. 2). Mr. Speaker, 12 acts of the Assembly are to be amended in this omnibus bill. I'd like to give a brief explanation of each.

The first is The Clerks of the Court Act. This will be

amended in Section 10 to allow the offices of the clerks of the court, if so directed by the Attorney General, to be closed on days that are not holidays as defined by The Interpretation Act, to obviate the need for keeping skeleton staff on duty on such days as the August 1 holiday.

Next is The District Court Act. The amendment to Section 39 is to regularize a procedure followed in the past of having witnesses' and interpreters' fees prescribed by order in council. The second amendment of The District Court Act is to make clear that local judges of the Supreme Court are not restricted in terms of their right to exercise jurisdiction under the Divorce Act, Canada, and with respect to certain prerogative writs, and to exercise any role, as judges of the Supreme Court, in acting as *persona designata* under statutes of Alberta or Canada.

The Interpretation Act is next, Mr. Speaker. That amendment is necessary because of the amendments to Section 10 of The Clerks of the Court Act, to which I have already referred, and to Section 19 of The Land Titles Act, which will follow. That relates to the question of closing judicial offices and the land titles office on days which are not technically holidays but which are observed from time to time.

The fourth act is The Judicature Act. This act will increase by one the number of Supreme Court justices in Alberta — to 17, plus the Chief Justice for a total of 18 — which will help meet the ever-increasing workload. Once again, the rates of fees and expenses payable to witnesses and interpreters can be set.

The Land Titles Act is next. Once again this relates to the question of permitting the land titles offices to be closed on holidays that are not official holidays as defined in The Interpretation Act. Another amendment to The Land Titles Act will permit the land titles registrar to accept documents from ministers, with respect to expropriations and so on, without the necessity of having the director of surveys deal with the plans.

The next act is The Legal Profession Act. First of all there is a change of name of a federal court, from exchequer court to federal court. A further section will cure an anomaly which has resulted from some members of the Law Society of Alberta having moved from Alberta and Canada to other countries and by reason of the acts of those other countries have lost their status as British subjects. By recent amendments to the Citizenship Act of Canada, this would provide that such barristers and solicitors if returning to Alberta would be able to continue to practice law and would not be required to cease the practice of law for the period of three years it would normally take to become Canadian citizens again.

The other aspect of The Legal Profession Act, Mr. Speaker, is to permit directors of the Alberta Law Foundation to receive remuneration for their services. Such remuneration will come from moneys appropriated by the Legislature and the Attorney General's Department rather than from moneys belonging to the Law Foundation. A word of explanation: moneys earned on lawyers' trust accounts in Alberta are now provided to the Law Foundation and used for purposes of legal research. That will not be used to pay the remuneration of the directors of the foundation, who have been serving up to this point without any remuneration.

The next item, Mr. Speaker, is The Notaries Public Act. This amendment will validate notarial acts done by barristers and solicitors, which acts may have been invalid because of a 1971 amendment to the act. This is brought in at the suggestion and request of the Institute of Law Research and Reform.

Number eight, The Provincial Court Act, removes power from judges and is to be repealed because it is no longer necessary due to the fact that such administrative matters are now handled by clerks of the court. Once again, that will be amended to authorize the Lieutenant Governor in Council to set fees for witnesses and interpreters as in the amendments to The District Court Act and The Judicature Act described before.

Nine, The Public Works Act: the amendment to Section 21 will permit notifications to be prepared by appropriate departmental officials rather than by the director of surveys when lands are being expropriated for public works or roadways and thus assist in relieving some of the workload on the director of surveys.

Ten, The Small Claims Act: first of all, the amendments to Section 9 will make it clear that the trial need not be held on the return date of the summons, which would permit an adjournment. At the present time it's worded in such a way that it appears the trial must take place on the return date on the summons. This would permit adjournment to a date convenient for both parties in the event it's not possible to proceed to trial on the date of the summons. Section 17 will be amended to permit a judgment to be entered by default of a defendant's appearance without the necessity of the plaintiff's claim being proved; that is to say, if the debtor does not appear, default judgment may be entered without the necessity of going through the whole procedure of a trial, and calling witnesses and evidence, which is normal under other default proceedings in other acts.

Eleven, The Summary Convictions Act: this is perhaps the most important aspect of this bill, Mr. Speaker. These amendments will permit the issuance of tickets in lieu of laying informations for offences additional to traffic offences for which they are presently authorized, thus enabling voluntary payments to be made for these offences, obviating the need for appearances in court; in other words, the voluntary payment of fines under certain provincial statutes. For example, certain offences under The Wildlife Act and possibly some minor offences under liquor legislation might be included, although these offences will be defined by regulation. They are not available as yet.

Other changes are that the requirements for traffic tickets to be sworn will be removed, unless the matter is to go to trial; and where a fine has been imposed by a justice, any justice — rather than the justice who imposed the fine — may allow further time to pay the fine.

Mr. Speaker, I might comment a little more on this section to point out that these changes really are in keeping with the thrust of the government to decriminalize some of these minor offences and to help clear the workload of the provincial court to permit it to pay attention to cases of a more serious nature, or where in fact there is a dispute or a not-guilty plea, and will assist materially in the administration of justice in the province.

Finally, Mr. Speaker, number twelve, The Trustee

Act will be amended to permit trustees to invest trust moneys in notes or deposit receipts of approved corporations.

Those are the various acts which will be amended by this omnibus bill. By and large they are designed to speed up and improve the quality of the administration of justice in the province.

MR. PURDY: Mr. Speaker, I have one question for the sponsor of the bill, the hon. Member for Medicine Hat-Redcliff, in regard to The Summary Convictions Act. I understand the department has now extended payment by mail of a lot of moving offences under The Highway Traffic Act and the motor vehicle act. I understand one that is included is the failure to prove public liability insurance. The maximum fine for that is \$400. The question I have for the mover, and it might be better served in committee, Mr. Speaker, is: how does the government propose to follow up to ascertain if that person in fact has insurance even if he has paid the fine?

MR. NOTLEY: Mr. Speaker, I'd also like to deal with The Summary Convictions Act and ask the hon. minister — the would-be minister, the hon. Member for Medicine Hat-Redcliff — if he would perhaps take a little more time in his concluding remarks and outline some of the acts. He mentioned The Highway Traffic Act, and The Wildlife Act. As I read the changes we are going to make, I have no objection to the basic principle of substituting tickets so people can just send in their tickets if they don't want to fight the thing. Fair enough. I think that is fair ball.

The only concern I have, Mr. Member, is that it strikes me as questionable for this Legislature to extend to Executive Council, the Lieutenant Governor in Council, the power to make regulations specifying those offences for which a ticket may be used under the section. I put it to you quite seriously: is it not possible for us to be sufficiently definitive at this stage, that when we make the amendment we can set out the offences which would come under this change, as opposed to simply extending to Lieutenant Governor in Council the right to specify offences? I realize that the offences the member is referring to are not serious. Nevertheless the way the act is worded at the moment, it seems to me it does empower the Lieutenant Governor in Council to make some rather significant alterations on their own, without reference to the Legislature.

MR. CLARK: Mr. Speaker, I just want to make one comment. One of the comments the government made prior to the session was that there would be some positive and major steps taken by the government to really speed up the operation of the courts. In getting around the province, one of the complaints I hear most often is the tremendous backlog and the long delay involved in a number of court cases. Not being a member of the legal fraternity, and not having any wish to become one either, I listened with some interest to the comments made by the sponsor of the bill. Either I didn't grasp the significance of the changes he was talking about, or the changes aren't as important as I was led to believe before the session started, because I didn't really hear in what the hon. member said a great deal about how this is going to speed up the operation of the courts.

So whether it be at the end of second reading here, or in committee, I would really seriously ask the hon. member to go into a bit of detail and show us with some pretty concrete statements how this is going to help speed up the operation of the courts. The hon. member knows better than I that a tremendously high percentage of people who come in contact with the law do so at the provincial court level, and I get the feeling it's an area where there is a great deal of frustration.

So we look forward to that kind of elaboration by the hon. member, either at the end of second reading in his concluding remarks or when we get to the bill in committee.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, I will take note of the questions asked by hon. members this evening. Mr. Purdy — sorry, Mr. Speaker — the hon. Member for Stony Plain, I will look into that matter and bring it back in committee study, perhaps getting as well a better definition of the types of offences which will be included by regulation. I will attempt to do that in committee stage for the hon. Member for Spirit River-Fairview.

However, may I respond a little more to the concerns raised this evening by the hon. Leader of the Opposition. Perhaps I speeded up my delivery a little too quickly so that I did not point out clearly enough to the Assembly how these amendments would speed up the operation of the courts.

First of all, may I go back to the question of the amendment which would add one more Supreme Court justice. I suggest, Mr. Speaker, that this will materially assist in dealing with the more serious cases which reach that level. That's one of the rather major changes in this particular bill.

The hon. Leader of the Opposition is quite right on the other question of summary convictions. The average person who comes into contact with the law in an unfortunate way is at the provincial court level. At the present time there are many hundreds of cases which require formal charging, laying of information, and bringing people before the court — sometimes by summons, sometimes by warrants — for relatively minor offences. It ties up not only the judges, with the work they perform in dealing with these cases, but also the administrative staff available to the various provincial courts throughout the province. By removing many of those offences from that type of procedure and permitting the voluntary payment of set fines, such as we have had for some time now in the province for such matters as speeding and so on, we will be able to do away with a lot of that administrative work, free the time of staff as well as judges so they may hear the more serious cases and deal with cases where the accused wish to enter not-guilty pleas and have full adjudication of the claim.

For those of you who haven't been in provincial court, it may surprise you to learn that at the present time many hours a day are taken up simply with hearing guilty pleas, going through all the form that is necessary to deal with these relatively minor offences.

I will come back in committee and give more examples of the types of offences that will be dealt with under this section. I think it's a perfectly reasonable request by both the member for Spirit River-Fairview and the hon. Leader of the Opposition. But from their remarks I take it that they support the principle of the bill, and I look forward to their support in the vote which is about to take place.

MR. CLARK: We look forward to a more complete explanation.

[Motion carried; Bill 78 read a second time]

Bill 79
The Nursing Homes
Amendment Act, 1977 (No. 2)

DR. PAPROSKI: Mr. Speaker, in rising and moving Bill 79, The Nursing Homes Amendment Act, 1977 (No. 2), there are two principal amendments. I would ask the members of the Assembly to approve them. Number one: the amendment will provide that the Department of Hospitals and Medical Care will have the authority to make payments on behalf of persons on social assistance whose nursing home care is now being paid through that department or the Department of Social Services and Community Health who have, of course, met the residency requirement for nursing home benefits under The Nursing Homes Act.

The second basic amendment, which will involve the approximately 75 nursing homes in Alberta and approximately 6,629 nursing home patients, will provide for the establishment of procedures for assuring the moneys of nursing home patients are safeguarded. In other words, the nursing home operators, with respect to the funds entrusted in their care, will have to establish, open, and maintain a trust account in either banks, credit unions, treasury branches, or trust companies in the district in which the nursing home is located. The amendments also enable the Lieutenant Governor in Council to make regulations in respect of the procedures to be followed by nursing home operators in the operation of such trust accounts. The regulations will prescribe such things as interest earned in the trust account, how it will be credited to the patient, and the amount of money that will be held in the trust account for each individual patient. It will provide for the audit of these trust accounts, and for the withdrawal of the moneys only with the consent of the nursing home patient or the legal representative.

In summary, Mr. Speaker, this bill will ensure that moneys placed by patients in trust with nursing home operators will be properly handled and the patients' interests will be truly safeguarded.

I ask members of the Assembly to support second reading of this bill.

[Motion carried; Bill 79 read a second time]

Bill 82
The Industrial Wages
Security Amendment Act, 1977

MR. TRYNCHY: Mr. Speaker, in moving second reading I would point out to members that this bill will repeal one section of the act which required employ-

ers in designated industry to file wage returns with the minister every month, indicating whether wages were paid for the preceding month.

This section has never been enforced in some 20 years. This also would eliminate red tape for industry. Review of this can be done through the employment record under The Alberta Labour Act, 1973.

I think this bill goes a little way in streamlining legislation for Albertans. I would ask every member to support it.

[Motion carried; Bill 82 read a second time]

Bill 83
The Social Services and Community
Health Statutes Amendment Act, 1977

MR. STEWART: Mr. Speaker, I am pleased to move second reading of Bill 83, The Social Services and Community Health Statutes Amendment Act, 1977.

The purpose of this bill is to provide amendments to five acts currently under the administration of the Minister of Social Services and Community Health.

The first is The Change of Name Act, 1973, which is to be amended to provide that in applying for a change of name, a person need only apply to change the surname of his children whose names were not originally registered under The Vital Statistics Act under the proposed new name; and to permit a married person, particularly a married woman, to apply for a change of maiden surname without the necessity of applying at the same time for a change of his or her spouse's surname. This amendment is intended primarily to permit women who may be applying for documents such as passports, to make changes in their maiden surname without the necessity of going through the complicated process of also changing their husband's and children's name at the same time.

The second is to amend The Dependent Adults Act by correcting some terminology in the act, and to permit the court to appoint a trust company or public trustee as a trustee of the estate of the dependent adult.

The third is to amend The Maintenance and Recovery Act to allow a clerk of the court to delegate his responsibilities under the act to members of his staff to ensure that there will be no delays in the proceedings under this legislation, proceeding expeditiously in most cases in which the clerk of the court may not always be available.

The fourth is to amend The Mental Health Act, 1972, by terminating the authority of the cabinet to designate the vice-president of the Provincial Mental Health Advisory Council, thereby permitting that council to designate its own vice-president; and by giving the minister, instead of the cabinet, the power to appoint members to the regional mental health councils. Because of the size of these councils and the number of changes that occur in the membership, it is felt inappropriate to burden cabinet with the responsibilities of these appointments.

By clarifying the procedure relating to the swearing of information before provincial judges for the purpose of arranging for the examination of a person who cannot be examined in any other way — to reflect the concern expressed by members of the judiciary in the spring of this year in the case of

Regina vs. Cochlin — this amendment will permit persons to bring information before the provincial judge on the basis of information provided to them by third parties such as physicians, particularly in those cases where the physician himself may not be in a position to bring that information; to provide a board of review access to records of mental health patients and the mental health facilities in order to facilitate the board of review conducting these proceedings; and to clarify the authority of cabinet to prescribe charges that may be made to voluntary patients of mental health facilities.

The fifth is to amend The Preventive Social Services Act to provide the minister with the authority to enter into agreements with the federal government to provide preventive social service programs on Indian reserves.

I urge the hon. members to support these amendments on second reading.

[Motion carried; Bill 83 read a second time]

Bill 84

The Statutes Repeal Act, 1977

MR. DOAN: Mr. Speaker, I move second reading of Bill No. 84, The Statutes Repeal Act, 1977. This bill will repeal a number of obsolete acts. The first one I refer to is The Building Associations Act, Chapter 36 of the Revised Statutes of Alberta, 1970. The comments on this: the Minister of Consumer and Corporate Affairs recommends the repeal of The Building Associations Act because all the co-operative building associations incorporated under it are now defunct, and the building of homes can now be financed under The Co-operative Associations Act.

The second bill affected by this is The Mothers' Allowance Act, 1958, Chapter 45 of the Statutes of Alberta, 1958. The Mothers' Allowance Act is now obsolete, as no more allowances are payable under this act. I understand it's now dealt with through social assistance.

The third is The Pharmaceutical Services (Alberta) Incorporated Act, which was enacted in 1966 but has never been proclaimed, so has never been applied.

The fourth is The Prosperity Certificates Act, Chapter 4 of the Statutes of Alberta, 1936. The Prosperity Certificates Act was listed as omitted but not repealed in Schedule 2 of the Revised Statutes of Alberta, 1955, and was not mentioned in the Revised Statutes of 1970, so it should be officially repealed.

The Tax Recovery Act, 1922, Chapter 162 of the Revised Statutes of Alberta, 1942, has been inoperative since the provisions replacing its operative sections were enacted by an Act to Amend The Tax Recovery Act, 1952, now 1970.

That's all.

MR. ASHTON: Mr. Speaker, I wish to add a few comments here. This is a very significant bill in the historical context, because included here, of course, is the repeal of The Prosperity Certificates Act. I've heard some people suggest that in Alberta today Social Credit is politically dead. However, as long as The Prosperity Certificates Act is still on the books, they aren't legally dead.

It's rather interesting that this bill was passed originally in 1936, and for 35 years the Social Credit

government allowed it to sit on the statute books. Now one might ask why they would do that. Why wouldn't they have gotten rid of it before? I think the reason is that lurking in the heart of every good Social Crediter was the hope that someday they would be able to implement the provisions of The Prosperity Certificates Act. And I assume the hon. members of the Social Credit opposition will be opposing the repeal of this act, because it went to the very heart of the Social Credit economic program.

As some members may recall — I don't, because I wasn't there at the time — when they were first elected in 1935 the Social Credit party had two main economic thrusts. The first was the \$25-a-month Social Credit dividend. It was rather interesting reading some of the material from the time. Premier Aberhart was asked why \$25, why not \$50 or \$100? "Well," he replied, "I don't like the idea of putting too much temptation in people's way. Too much prosperity all of a sudden might destroy some people's morals." [laughter]

On reading back, as most members weren't here at the time, the second thrust of the Social Credit economic plan was, of course, The Prosperity Certificates Act, which has mystified and entertained economists for the last two generations. I can recall taking economics classes at the university a number of years ago, and most of the economics texts had a footnote in which they referred to the Social Credit economic plan as being one of the rather entertaining but unworkable ideas...

I wasn't old enough to receive the \$25 dividend but, on checking back, it appears it was never implemented. As far as I can find, not even one \$25 dividend was issued. However, some of the scrip was issued. Apparently it was to be used to pay laborers to work on highways. As a result they didn't get too many highways built in those days.

They were also to be used to make grants to municipalities. Now, I might suggest that the hon. Minister of Municipal Affairs might have a look at this plan. [interjections] Yes, this is a good way of revenue sharing. I understand the plan was not a success, and I'm quoting now from a young gentleman by the name of John Barr, who wrote a book not too many years ago called, *The Rise and Fall of Social Credit in Alberta*. I understand the merchants were reluctant to accept the certificates, and the province itself even refused to accept the certificates for taxes. So the plan didn't work.

Because there are a number of bills that should be repealed, I would ask members to consider, at the time of Committee of the Whole, if we might amend to take out the repeal of The Prosperity Certificates Act. I think it's a very significant bill in the history of this province and should be left there for the public to see year after year, to educate future generations on some of the follies of their forefathers.

Thank you.

MR. HORSMAN: Mr. Speaker, I won't take too much time of the House, but I want to support the hon. Member for Edmonton Ottewell in his concern for the passing of something truly historic in the lives of many of us in Alberta. Before we see this Prosperity Certificates Act pass forever into history and into the tombs of the province, I thought it would be useful to read out Section 2 of the act, which I thought was

really interesting:

The Provincial Treasurers is hereby authorized to issue and to reissue credit certificates to any persons who may be willing to accept the same

AN HON. MEMBER: A lot of confidence they had.

MR. HORSMAN: Another section of this act I think really bears significance in today's Legislature, and we've heard a great deal about it. I quite agree that the other point of keeping it for historical reasons is interesting, but because this legislation also contains retroactive provisions I think we should get rid of it. That's the other side. Back in 1936, the Social Credit administration found it necessary to pass retroactive legislation.

AN HON. MEMBER: Shame.

MR. HORSMAN: I'd just like to read Section 11: All credit certificates heretofore issued in pursuance of an Order in Council

an order in council by a Social Credit government; my goodness, that's hard to imagine

dated the 11th of June, 1936 and numbered 815/36 as amended by an Order in Council dated the 27th day of July, 1936, not one but two orders in council

and numbered 1085/36, shall have the same force and effect as if the same had been issued pursuant to the provisions of this Act.

Not only was it retroactive, but it was making orders in council retroactive.

AN HON. MEMBER: Ghastly.

MR. HORSMAN: Ghastly.

AN HON. MEMBER: Shame, shame.

AN HON. MEMBER: It's a mockery of the Legislature.

MR. HORSMAN: As a precedent, perhaps we should keep it on the books.

Mr. Speaker, this is truly an historic moment in Alberta. I feel it a great privilege indeed to stand here and take part in the vote on this motion, because at the time this happened — this bill was passed in 1936 — I was one year old. As a matter of fact I think I was born the week before Social Credit came into power in Alberta.

AN HON. MEMBER: It's been a long fight.

MR. HORSMAN: It's been a long, hard fight, and I certainly hope the hon. Leader of the Opposition and his colleague from Little Bow will not pass up the opportunity to say a few words in farewell.

MR. COOKSON: I wonder, Mr. Speaker, if this wouldn't be an opportune time to have a minute's silence. [laughter]

[Motion carried; Bill 84 read a second time]

MR. HYNDMAN: Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into

Committee of the Whole to consider certain bills on the Order Paper.

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

HON. MEMBERS: Agreed.

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

[Dr. McCrimmon in the Chair]

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

Bill 59 **The Tobacco Tax** **Amendment Act, 1977**

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

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill No. 59, The Tobacco Tax Amendment Act, 1977, be reported.

[Motion carried]

Bill 60 **The Fuel Oil Tax** **Amendment Act, 1977**

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

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill 60, The Fuel Oil Tax Amendment Act, 1977, be reported.

[Motion carried]

Bill 67 **The Department of Recreation, Parks** **and Wildlife Amendment Act, 1977**

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

[Title and preamble agreed to]

MR. THOMPSON: Mr. Chairman, I move that Bill 67, The Department of Recreation, Parks and Wildlife Amendment Act, 1977, be reported.

[Motion carried]

Bill 75 **The Energy Resources** **Conservation Amendment Act, 1977**

MR. CHAIRMAN: Are there any comments, ques-

tions, or amendments to be offered with respect to any sections of this bill?

[Title and preamble agreed to]

MR. McCRAE: Mr. Chairman, I move that Bill 75, The Energy Resources Conservation Amendment Act, 1977, be reported.

[Motion carried]

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

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

[Title and preamble agreed to]

MR. DOWLING: Mr. Chairman, I move that Bill 64, The Department of Business Development and Tourism Amendment Act, 1977, be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration bills 59, 60, 67, 75, and 64, begs to report same, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, before moving adjournment I'd like to outline the possible agenda of the House tomorrow morning: second reading of Bill 81, The Department of the Environment Amendment Act, 1977 (No. 2); and committee study to commence on Bill 62, The Auditor General Act, and possibly The Financial Administration Act, 1977.

I move the Assembly do now adjourn until tomorrow at 10 a.m.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 9:02 p.m.]