

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 31, 1979 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 21

The Municipal Debt Reduction Act

MR. MOORE: Mr. Speaker, today is a very historic day in the history of the Alberta Legislature. I request leave to introduce Bill 21, The Municipal Debt Reduction Act. [applause]

This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

This Bill, The Municipal Debt Reduction Act, is designed to transfer more than \$1 billion from the General Revenue Fund of the province to 349 municipal governments across Alberta. The provisions of this Bill will implement the announcement made by our Premier, Peter Lougheed, on February 1 of this year. Those provisions are to transfer \$500 per person to every Alberta municipality, the only condition being that certain municipal debts be retired, with the balance of the funds being completely unconditional. In addition, Mr. Speaker, this Bill provides for the retirement of municipal debt attributable to water, sanitary, and sewage treatment facilities of approximately \$40 million.

This unprecedented transfer of funds will assist property tax payers across Alberta far into the future. More than \$85 million of annual debt charges will be eliminated. Property taxes for municipal purposes will be reduced for many years to come. Several municipal heritage savings trust funds could undoubtedly be established.

Mr. Speaker, in conclusion may I say that there can be no finer example in the western world of the sharing of revenue. Perhaps . . .

MR. SPEAKER: I regret to interrupt the hon. minister, but it would appear that he has clearly launched on debating the merits of the Bill. For the sake of not establishing a precedent which might not only be followed but exceeded, perhaps we shouldn't . . .

MR. MOORE: Mr. Speaker, if I might simply conclude on this important matter — and my colleagues behind me said I've only used about \$300 million per minute so far — by saying that what is important for all of us, both members of this Assembly and citizens, to remember today is not so much the importance of the decision to make this massive transfer through this Act being introduced, but rather the strength and determination which this government has had in . . .

MR. SPEAKER: Order please. [interjections]

MR. MOORE: Mr. Speaker, I move first reading of this Bill, a determined commitment by this government to serve the people.

MR. SPEAKER: Order please. I would hope that the otherwise admirable persistence of the minister might also not establish a precedent.

[Leave granted; Bill 21 read a first time]

head: **TABLING RETURNS AND REPORTS**

MRS. LeMESSURIER: Mr. Speaker, I am pleased to table the twelfth annual report of the Glenbow-Alberta Institute for the year ended March 31, 1978.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. KOZIAK: Mr. Speaker, it's my pleasure this afternoon to introduce to you, and through you to the members of this Assembly, students from the King Edward school in the constituency of Edmonton Strathcona.

Hon. members would probably be interested in knowing that the eight students I am introducing are part of the class for the hearing impaired at that school, and come to the school from across the city of Edmonton and from locales such as Calmar and Stony Plain. They are accompanied by their very dedicated teacher Barbara Morgan, and I would ask that you extend to them the usual welcome from this Assembly.

MRS. OSTERMAN: Mr. Speaker, I'd like to introduce to you, and through you to the rest of the members of this Assembly, 20 students in grades 6 and 7 from the Huxley school, who have been ably chauffeured by Laurie Painter, accompanied by supervisors Marion Knudsen, Jean McRae, Susan Jensen, and their teacher Tom Hewkin. If they would stand, I hope we would accord them the customary welcome of the House.

MR. BATIUK: Mr. Speaker, I introduce to you, and through you to the members of the Assembly, 74 students in grade 5 from the Peter Svarich school in Vegreville. They are accompanied by their principal Mr. Misik, their teachers Mrs. Nawrot, Mr. Kryklywicz, and Mr. Seniuk, and their bus operators Mr. Zubritsky and Mr. Sokoluk. I would ask that the students, teachers, and bus operators rise and be recognized by the Assembly.

MR. COOK: Mr. Speaker, I'd like to introduce to you, and through you to the other members of the Assembly, the grade 5 class at St. Philip school in the constituency of Edmonton Glengarry. These students are accompanied by their teacher Miss Crump and five of their parents: Mrs. Schuler, Mrs. Binassi, Mrs. Bonich, Mrs. Montpetit, and Mrs. Schamp. I would ask the Assembly to accord the usual warm welcome to these fine students from Edmonton Glengarry.

MR. WEISS: Mr. Speaker, I wish to introduce to you and to the members of this Assembly a group of the 1721st Lancers from Bedford, England. They have

taken time out from assembly in Wainwright, Alberta, to see our government in action. I would ask that Christopher Jessop and his group rise and receive the cordial welcome of this Assembly.

head: ORAL QUESTION PERIOD

ECA Forestry Report

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question on this rather historic day, in the words of the Minister of Municipal Affairs, to the Minister of Environment. It's with regard to the report of the Environment Council of Alberta on forestry operations in Alberta, which was to be released on February 13, the day before the provincial election was called, and wasn't released until well after the election was held. I'd like to ask the minister why the step was taken of not releasing the report prior to the calling of the election.

MR. COOKSON: Mr. Speaker, I don't think I'd be prepared to make any comment in the Legislature with regard to what decision was made prior to the election, or during the interim until I took on the responsibility as minister. When I took the responsibility as Minister of Environment, I tabled the report within seven to 10 days.

MR. R. CLARK: Mr. Speaker, I can readily understand why the minister wouldn't want to take the responsibility for that decision.

I'd like to ask the minister a supplementary question. One of the major concerns of the Environment Council of Alberta was the effects of petroleum exploration on the green area. One of its major recommendations was that the Environment Council of Alberta be asked to conduct public hearings on the environmental impact of petroleum exploration and production. Has the minister made a decision to have the Environment Council of Alberta go ahead with those hearings?

MR. COOKSON: Mr. Speaker, we haven't made that decision yet. I've referred the report to a number of government departments. It's also public information, and I'm relying on the total input from the various departments and the public. Once we've received this, we'll determine what direction or action we should take.

MR. R. CLARK: Mr. Speaker, a further supplementary question to the minister. Could the minister be a bit more explicit on the manner in which the minister or his department is going about getting input from those agencies, organizations, and groups outside the government?

MR. COOKSON: I don't know whether I could be more explicit, Mr. Speaker. The document is public. It's available to anybody in the public arena who wishes to review it, any organizations and groups. I'm sure if interested and concerned groups out there wish to make a presentation, I'd be very happy to receive it.

MR. R. CLARK: Mr. Speaker, is the minister looking at any time line in arriving at a decision as to whether he would ask the Environment Council of Alberta to follow on that major recommendation? Are we looking

at a decision being made perhaps six months from now as to whether the minister will be going ahead with that recommendation?

MR. COOKSON: Mr. Speaker, perhaps I could clarify the particular issue the hon. Leader of the Opposition raises. I think he's referring partially to the damage incurred during seismic activity in the Eastern Slopes. The report indicates that some considerable damage is due to seismic activity. I've received other reports that indicate perhaps the interpretation was not fine enough, in that a good portion of the damage was to timber that was not really salvageable. I'm hoping that point could be better clarified in the months to come.

So I haven't made a decision yet, Mr. Speaker, as to whether a further inquiry is necessary.

MR. R. CLARK: Mr. Speaker, my supplementary question to the hon. minister dealt with when the minister will be making that kind of decision. Can we expect a decision within six months on whether there will be an intensive look at that area?

MR. COOKSON: I think I've answered that, Mr. Speaker. Until I have all the reports in — I have to determine first of all whether any particular action is necessary. Based on the information I have, if I'm not assured that the damage is less than what is suggested, I hope to recommend to government that we do a further review, as suggested by the Environment Council of Alberta.

Mobile Telephone Service

MR. R. CLARK: Mr. Speaker, I'd like to direct the second question to the Associate Minister of Telephones. It concerns the recent incorporation of Westech Systems Ltd., with Alberta Government Telephones as a major shareholder. The pronounced objectives of Westech Systems go far beyond the provision of basic telephone services of AGT, into areas like mobile telephones, electronic mail, and private radio systems.

My question to the minister is: why is AGT going into competition with the private sector in the areas of private radio systems and mobile telephones?

DR. WEBBER: Mr. Speaker, I'm glad to get my first question on telephones from the opposition.

First of all, Westech Systems Ltd. is a private Canadian company based in Edmonton. Its shareholders are Alberta Government Telephones, International Systems, and AES Data Ltd. The company was formed to provide improved automated mobile telephone equipment. AGT got into the mobile telephone business a number of years ago. The mobile telephone business in Alberta has expanded tremendously in the last few years, to the point where down the road the number of channels and the frequencies now available will be completely filled. Apparently no other system in existence can accommodate future needs.

So AGT has gone together with the two companies I've named for the purpose of research and coming up with a system which would accommodate the future needs of AGT, in order to provide mobile telephone services for the citizens of Alberta.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Mr. Minister, are there no firms in Alberta, either at the Research Council or in the private sector, which have the capacity or the trust of the government to do that kind of research?

DR. WEBBER: Mr. Speaker, according to the information I have, at the moment no company in Canada has available the systems AGT feel they need down the road. This is why they have gone into this area.

MR. R. CLARK: To the minister: how much money is it projected that Alberta Government Telephones will be sinking into this venture?

DR. WEBBER: I'd have to check that, Mr. Speaker. At the moment, I believe \$50,000 has been committed toward this project.

MR. R. CLARK: Mr. Speaker, to the minister. Before the government would become involved in a venture like this, I'm sure an assessment would be done of the amount of money AGT will likely be called upon to put into it. What's the expected outlay by AGT into this venture? It may be \$50,000 now, but what's the anticipated call on AGT funds?

DR. WEBBER: Mr. Speaker, I think I just indicated I would check into that and provide the information as soon as I can get it.

MR. R. CLARK: Mr. Speaker, to the hon. associate minister. Where has the \$50,000 come from that AGT has already put into this project?

DR. WEBBER: I'm not sure what the hon. leader is asking, Mr. Speaker. If AGT has \$50,000 in the project, it comes from Alberta Government Telephones. It's a Crown corporation.

MR. R. CLARK: Mr. Speaker, then to the minister. Would the minister agree with the point of view that that \$50,000 and all money that follows, that goes into this investment, will come from AGT's telephone services? This is another example of cross-subsidization, which the Public Utilities Board doesn't monitor.

SOME HON. MEMBERS: Order.

MR. NOTLEY: Mr. Speaker . . .

MR. SPEAKER: A supplementary?

ECA Forestry Report (continued)

MR. NOTLEY: Mr. Speaker, I wonder if I could put a supplementary to the first question asked by the Leader of the Opposition and ask the hon. Premier: in view of the fact that the hon. Minister of Environment was not in his position on February 13 when the Environment Council of Alberta report was filed with the government, is the Premier in a position to outline to the Assembly the reasons the ECA report on forestry was not made public at that time?

MR. LOUGHEED: Mr. Speaker, I can't do that, but perhaps I could table a written answer to that question.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Premier. This flows from the major recommendation of the ECA report on forestry, which would draw together the various branches, agencies, and departments dealing with land-use matters. Did the Premier specifically take into account the ECA report on forestry, that particular recommendation, before he made the changes in the cabinet which were announced after the election and will be put before the Legislature for legislative approval?

MR. LOUGHEED: Mr. Speaker, perhaps the hon. member could clarify. Is the hon. member referring to the recommendation of the council with regard to the organization of the Executive Council, that there be an overriding ministry responsible for the natural resource area?

MR. NOTLEY: Mr. Speaker, I'm referring to that particular recommendation with respect to an overriding ministry and, presumably from that, the working together of the various branches and agencies.

MR. LOUGHEED: Yes, Mr. Speaker, I did. It was our judgment that our cabinet committee system adequately meets the thrust of co-ordination that is referred to in the report.

Mobile Telephone Service (continued)

MR. R. CLARK: Mr. Speaker, I'd like to direct one further supplementary question to the Associate Minister of Telephones. What steps did the minister take to ascertain that no businesses or people with research capacity in Alberta could meet the objectives set out in this corporation?

DR. WEBBER: Mr. Speaker, as a member of the Alberta Government Telephones Commission in the past several years, when the matter came up, commission members obtained from the management of AGT the information concerning what kinds of systems might be available elsewhere. From what I recall, some systems might be available in terms of providing mobile telephone service in major cities where there's a high concentration of population. However, there are no systems available with regard to providing mobile telephone service to a province such as Alberta, where the population in the areas where mobile telephones would mostly be used wouldn't be very dense. Therefore it was required to go into the area of researching and providing a system which would accommodate those kinds of requirements in the years to come.

MR. R. CLARK: Mr. Speaker, to the minister. Did the commission of which the minister was formerly a member meet with representatives of the electronics industry in Alberta to provide them with an opportunity of showing the AGT Commission the capacity Alberta's electronics industry had in attempting to meet the objectives set out in this agreement?

DR. WEBBER: Mr. Speaker, the management of Alberta Government Telephones have met with the appropriate people who would be in a position to indicate whether or not they can provide these services. The AGT Commission did not meet with these people; the

management of AGT would be the people we would naturally put the trust in to look into this sort of thing.

Day Care

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Social Services and Community Health. It flows from the demonstration by quite a number of parents in Edmonton on Saturday last concerning quality day care in the city of Edmonton. I would like to ask if the minister is in a position to outline the state of negotiations at the present time between the city of Edmonton and the Alberta government concerning Edmonton's entry into the new provincial day care program.

MR. BOGLE: Mr. Speaker, historically in Alberta two different types of day care operations have developed. On one hand the private sector has provided day care operations, and on the other there has been a system of operations funded by preventive social services. My predecessor, the hon. Helen Hunley, in conjunction with our caucus, worked long and hard to develop a set of policy guidelines as well as regulations which would provide uniform standards across the province. That was done, and that policy and the standards are now in place, Mr. Speaker.

It is true that the city of Edmonton has not entered an agreement with the province at the present time. I am pleased to report that approximately two out of every three children in the province are covered in the sense . . . In short, I'm saying that most other municipalities have entered into that kind of agreement. It is my hope that the city of Edmonton will reach an agreement so that the many, many families in the city of Edmonton who are entitled to the subsidy may receive it, as other families across the province are. To try to bring that to fruition, I have a mid-June meeting scheduled with the mayor of the city of Edmonton.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In view of the government's concern about universal coverage, is there any willingness on the part of the government to be flexible with respect to local priorities and local needs in the context of provincial funding of day care, or are the regulations, particularly with respect to the standards, in fact set and not negotiable?

MR. BOGLE: Well, Mr. Speaker, as outlined by my predecessor in this Assembly and in the public arena many, many times, the standards would be reviewed on an ongoing basis. That's basically the reason there's the five-year phase-in provision within those regulations. So I would anticipate that we will see changes take place over a period of time. But it be must recognized that we cannot deal in a different way in one part of the province than in other parts. That's the reason for province-wide standards.

MR. NOTLEY: A supplementary question to the hon. minister, Mr. Speaker. Has the government reviewed the assertion of the city day care people that the standards of the province are not sufficiently high, that in fact Alberta ranks third from the bottom in terms of day care standards?

MR. BOGLE: Mr. Speaker, would the hon. member identify who he means as the city operators?

MR. NOTLEY: Mr. Speaker, the supplementary question is with respect not to the private operators, obviously, but to those people who have been involved with PSS publicly operated day care centres in the city of Edmonton.

MR. BOGLE: It's an important clarification, Mr. Speaker, because it should be recognized that for every one child in a PSS operation in the city there are two children in private operations. So I think it's important that we recognize the difference in that area.

Yes, I've had representation from private operators as well as PSS operators here in the city of Edmonton, as well as from the city of Calgary and other parts of the province. A wide variety of concerns is coming forward. Any time you move from a former approach whereby the funds went directly to the centres on one hand and, on the other, where you had privately-operated centres that received no public support at all — when you move from that kind of approach, Mr. Speaker, to one whereby the dollars will follow the child, it's a dramatic change. That's why we've provided for a five-year phase-in period, to cause as little discomfort as possible to all operators and, in particular, to make sure that the standards provide an adequate level of care for our young people.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the government prepared to consider any modification in the standards so that publicly operated day care centres such as Glengarry in the city of Edmonton can continue to operate? It's my understanding that not only with the present standards but, more important, with the level of subsidies, it will not be possible to operate these PSS centres without severely downgrading the standards in order to keep the doors open.

MR. BOGLE: Mr. Speaker, I don't want to prejudge the kinds of discussions I may be having with the mayor on June 12, but I think it's important that the members of this Assembly recognize that at the present time we have a wide variety of services provided by various day care centres across this province. The hon. Member for Spirit River-Fairview has cited one particular centre. I have not yet visited the centre, although I look forward to that. It's my understanding that their cost of operation is the highest in the province, that the employees of that centre are employed by the city of Edmonton and therefore covered by CUPE, and that they receive the highest levels of pay in the province.

On the other side of the scale, you have private operators working very hard to provide a good service. I've talked to a number of parents who are pleased with the kind of service their children receive. Mr. Speaker, if the hon. member is asking if we will reconsider the basic principle of the policy that the dollars should follow the centre rather than the child, the answer is no.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In view of the fact that under the present guidelines, if I can use that term, 20 per cent of the deficit is picked up by the civic or local administration and 80 per cent by the province, what impact has

the government considered on the whole question of local autonomy and the right of municipal governments, or the city of Edmonton in this particular case, to decide the standards or at least have a major role to play in setting the standards, if in fact 20 per cent of the final shot is to come from local taxpayers?

MR. BOGLE: During the last fiscal year, \$6 million was budgeted to be provided to families eligible for the subsidy. In the case of families residing in the city of Edmonton, those \$2 million went unspent. That, Mr. Speaker, is the tragedy.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The question really relates to whether or not the government is going to be flexible with respect to local government, which under the guidelines must bear 20 per cent of the ultimate deficit. Is there going to be any room for negotiation on standards if we're asking the city of Edmonton to pay the final 20 per cent of the deficit?

MR. BOGLE: Mr. Speaker, I think it's important that we separate the two basic areas. On the one hand we have some policies, and one is that it be an 80:20 cost-shared agreement, which is similar to our agreement with PSS operations across the province. Other municipalities have accepted that agreement, and we're working. On the other side we have our regulations. If the hon. member is asking if we're looking at those regulations, if they're subject to change and review, I've tried very hard to state in other questions that the answer is yes. As my predecessor indicated, those are under constant review.

If the city of Edmonton has some concerns to bring to us, I'm happy to sit down and discuss those with the mayor. But I hope the hon. member is not suggesting we go back to the approach where we have two completely different sets of standards for different kinds of day care operations.

MR. NOTLEY: Mr. Speaker, a supplementary . . .

MR. SPEAKER: Might this be the final supplementary, followed by a supplementary by the hon. Member for Edmonton Glengarry and then, if I'm not mistaken, a further supplementary by the hon. Member for Edmonton Gold Bar.

MR. NOTLEY: Thank you, Mr. Speaker. Just so there is no misunderstanding then on the government's position: the government is prepared to entertain some flexibility with respect to the negotiations, in view of the fact that 20 per cent of the final deficit is to be borne by the city of Edmonton and that the government is not prepared to insist that in every single case standards be identical?

MR. BOGLE: Mr. Speaker, I'll try once more to enunciate clearly for the hon. Member for Spirit River-Fairview what we're attempting to do. We have province-wide standards. There won't be one set of standards for Edmonton, another for Spirit River-Fairview, and another for Taber. They are province-wide. We have a policy statement, and the policy's in place province-wide. We cannot and will not sit down and change that for one small area or another.

But what has been said repeatedly — if the hon.

member would listen carefully to what I'm about to say — is that the regulations, the nuts and bolts of making the policy work, are under constant review. Changes have been made. I can think of a change made, Mr. Speaker, since my coming to this office approximately two months ago. We amended the 18-day absenteeism clause, because we felt it was not fair and workable. Other amendments may be made. That's part of an ongoing review of their particular policies that all governments do. So that will take place.

If, during the meeting with the mayor of the city of Edmonton on the 12th — and I believe I have meetings with other civic officials over the same period of time — concerns are brought forward that we can review and examine in consultation with my colleagues from the caucus, we may decide to make other changes. But they'll be with regard to the regulations, Mr. Speaker, not with regard to the important principle decisions we made some time ago that the subsidy would follow the child rather than the centre, that the basic formula would be an 80:20 cost-sharing split between the province and the municipalities, and that our standards would remain uniform across the province.

MR. COOK: Mr. Speaker, if I might just address a supplementary question to the minister. Could he comment on the effect of the policy of the funding following the child and the impact it will have on making day care more accessible to the people of Edmonton? Secondly, could he also comment on the impact of setting one set of standards for PSS centres in the city of Edmonton and another for the private centres in Edmonton and the possible confusion that might result in?

MR. SPEAKER: The question maybe is of questionable qualifications for the question period, but since it could have been stated perhaps in another way to qualify it, perhaps the minister might like to answer.

MR. BOGLE: Mr. Speaker, I would hope all operators of day care centres who are concerned about our new regulations and policy will take into account that when we set a uniform policy and set of standards across the province, it affects not only the day care centres in Edmonton and Calgary but the many other centres across the province, whether they be in Lac La Biche, over in Grande Prairie, or down in Coaldale. It's very important that we set standards that centres can live with and that parents find acceptable. During the five-year phase-in period, the PSS centres must phase out. I think we're going to come up with the appropriate response to meeting this very urgent need in our province, of providing adequate day care for young people.

MR. SPEAKER: The hon. Member for Edmonton Gold Bar followed by a question by the hon. Member for Bow Valley.

MR. HIEBERT: Mr. Speaker, my question was to be directed to another minister, so it is not of a supplementary nature.

Rural Gas Lines

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. Could he

indicate whether the replacement of all rural natural gas lines containing pipe manufactured with faulty resin has been started yet, as recommended by the ERCB?

MR. SHABEN: Mr. Speaker, not all 3306 pipe was faulty. But last year, after a careful examination and an estimate of the amount of faulty pipe in the ground, it was determined that there were possibly 3,000 miles of faulty pipe. The government examined the situation and decided to assist the rural gas co-ops. We expect that over a three-year period we will be able to assist the rural gas co-ops in replacing the faulty 3306 pipe, and the program has started.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate what portion the government and what portion the co-ops will be paying of the replacement of the faulty pipe?

MR. SHABEN: Under the program approved by the government last year, 90 per cent of the entire cost of replacement will be provided by the government.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Does the government have any plans to take any legal action against the suppliers of the faulty pipe for rural gas co-ops, to recover any of the replacement?

MR. SHABEN: My understanding is that a number of rural gas co-ops, as many as 13, have commenced legal action. I'd prefer not to comment on it, because the matters are going before the courts at the present time.

MR. NOTLEY: A supplementary question to the hon. minister. Has the government given any consideration to picking up some of the legal costs involved? I would cite as a precedent the costs of interveners before the Public Utilities Board. Here we have people who've been sold faulty pipe. In view of the rather substantial legal costs involved, has any consideration been given by the department to underwriting the legal costs so that these cases can proceed?

MR. SHABEN: As all hon. members know, the situation with respect to the faulty pipe has caused some considerable difficulty to some of the rural gas co-ops. The position of the government is that we do not want that situation to cause a financial hardship for any of the co-ops. So I'll be watching it very carefully to ensure that the co-ops are viable and that extraordinary costs don't cause a hardship to the consumers under the rural gas program.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister, if I may. In view of the fact that as a result of the faulty pipe being installed not only are rural gas consumers asked to bear 10 per cent of the cost, but the taxpayers through the government of Alberta will have to bear 90 per cent of the cost, has any consideration been given by the government of Alberta to launching legal action to recover some of the obvious costs involved?

MR. SHABEN: Since the contracts that have been entered into by the rural gas co-ops are between the

co-ops and the suppliers or extruders, and since action is under way, and in view of the previous answer I gave, I'll continue to monitor the situation to determine whether any additional action has to be taken.

MR. SPEAKER: Might this be the final supplementary on this topic.

MR. R. CLARK: A further supplementary question to the minister. In light of the fact that officials of the ERCB were responsible for the inspection of the laying of the pipe, and that the former minister, Mr. Farran, and the government were very instrumental in acquiring that resin, is the government taking those two factors in mind in arriving at what I hope will be a favorable decision to help the rural gas co-ops in meeting their legal funds? Because the government had a very major role to play, both in the inspection and in the acquisition of the resin and giving it approval before the resin was made into pipe and the co-ops used it.

MR. SHABEN: Mr. Speaker, I think I indicated earlier that the government recognized the difficulties encountered by the rural gas co-ops in overcoming the problem of having some faulty pipe. It should also be remembered that some of the 3306 pipe was not faulty and some was. I've given hon. members the assurance that the government is committed to the viability of the rural gas co-ops, and if there are extraordinary circumstances I'm sure I'd be prepared to look at them. We have undertaken this three-year replacement program. Rural gas co-ops are proceeding with action, and I'll continue to watch it carefully.

Aids to the Hearing Handicapped

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Social Services and Community Health, with regard to the concern of the hearing handicapped. Could the minister advise me whether teletype communication equipment for use by the deaf will be among the specified equipment to be included under the new aids to daily living program?

MR. BOGLE: Mr. Speaker, the announcement made by my predecessor, I believe it was on February 12, referred to the aids to daily living program. At that time various kinds of assistance were outlined as to what might and might not be available. Electronic equipment was not in the list of items to be included. I've had various representations from groups concerned about different kinds of electronic equipment, in terms of both hearing assistance or apparatus and other mechanical devices. But the statement clearly indicated that those would not be included. The program being developed at the present time follows the intent outlined by my predecessor.

MR. R. SPEAKER: Mr. Speaker, a supplementary. Will the minister reconsider this particular item? What type of information may he require in that consideration at this point in time?

MR. BOGLE: Mr. Speaker, to suggest that we're not considering it would certainly not be accurate. Obviously we are. Part of the consideration is looking at what we can handle. I'd rather follow the approach

taken by my predecessor and ensure that the program we're developing now is developed well and meets the need of our residents for that kind of assistance. If alterations are required, certainly those can be considered in due course.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. I wonder if the minister plans any changes in the current cost-sharing agreement with regard to hearing aids?

MR. BOGLE: Mr. Speaker, that's a question of some detail, and I'll have to take it as notice.

Native Policing

DR. CARTER: Mr. Speaker, I would like to direct a question to the Solicitor General. The report of K Division of the RCMP, on page 17, deals with native policing. My question is this: in which urban centres is the program available?

MR. HARLE: Mr. Speaker, I'd have to take that question as notice and respond on another occasion.

DR. CARTER: A second question would be: what progress has been made in filling the reported 15 vacant positions?

MR. HARLE: Mr. Speaker, I could take that as notice as well.

Municipal Financing

MR. HIEBERT: Mr. Speaker, the question is directed to the hon. Minister of Municipal Affairs. Some time ago a Provincial-Municipal Finance Council was set up to review municipal financing, assessment, taxation, and other related matters. Since you've introduced to the House a very important Bill, the Alberta property tax reduction Act, could the minister enlighten the House as to the stage of progress this council's at and when a report can be expected.

MR. MOORE: Mr. Speaker, an important question. The Provincial-Municipal Finance Council basically completed its work under the direction of the then chairman and the former Minister of Municipal Affairs. That work was completed about March and since then the staff of the Provincial-Municipal Finance Council have organized the report into written form. We are now preparing to print sufficient copies for distribution across the province and hope that we would have a sufficient number of copies to make the report public about the end of June.

AGT Head Office

MR. D. ANDERSON: Mr. Speaker, my question is to the hon. Associate Minister of Telephones. Since the residents of the city of Edmonton have not decided to use the services of Alberta Government Telephones, could the hon. associate minister inform this House as to when the government plans to move the head offices of AGT to the city of Calgary?

DR. WEBBER: Mr. Speaker, noting the question comes from the Member for Calgary Currie, I, as the

Member for Calgary Bow, have been interested in this same issue for the last four years. Certainly, Mr. Speaker, it's an idea worth considering.

MR. D. ANDERSON: A supplementary question to the hon. associate minister. Could he give us a time frame as to when he will be considering this particular question?

DR. WEBBER: We will consider this particular question, Mr. Speaker, as soon as possible.

MRS. CHICHAK: A supplementary, Mr. Speaker. Has the associate minister considered the wrath from the city of Edmonton that he will bring upon the members if he attempts to take that move?

DR. WEBBER: Mr. Speaker, I think there's a possible solution to that one, as well.

MR. APPELBY: A further supplementary, Mr. Speaker. In view of the government's decentralization policy, I wonder if the Associate Minister of Telephones would consider moving the head office to some other part of Alberta?

DR. WEBBER: Mr. Speaker, certainly we would be interested in all kinds of representation. However, with the new 28-storey Alberta Government Telephones tower currently being built in Calgary, it would have to be fairly strong representation to persuade the AGT Commission, or me in particular, that it should be otherwise.

MR. R. SPEAKER: A supplementary to the minister. I wonder if the minister would consider that when PetroCan vacates its building in Calgary, if AGT ... [laughter]

AGT Overdue Accounts

MR. GOGO: Thank you, Mr. Speaker. I too have a question for the Associate Minister of Telephones. In view of the recent announcement by Alberta Government Telephones to begin charging interest at 18 per cent per annum on overdue accounts, could the minister advise the House whether this is due to the tardiness of Alberta citizens or the Alberta business community, i.e. commercial telephone accounts?

DR. WEBBER: Mr. Speaker, I appreciate all the attention I'm getting today.

Several weeks ago I made an announcement that Alberta Government Telephones would begin charging a 15 per cent per month interest charge on overdue accounts which are over \$50 per month. The idea of the \$50 was so that the ordinary home subscriber would not be affected by this particular policy. An average of about \$15 million a month is overdue on accounts due to AGT, and most of the money is due from a relatively small number of AGT customers. In fact, this particular policy would affect less than 5 per cent of AGT customers.

At the same time, Mr. Speaker, I should point out that AGT will also begin paying interest on security deposits, which I think is a step in the right direction.

Grande Prairie Air Terminal

MR. BORSTAD: Mr. Speaker, my question is to the Minister of Transportation. I would like to have some information as to the schedule of the opening of the Grande Prairie air terminal. It seems to be delayed, and I wonder if he has any information on it.

MR. R. SPEAKER: What about the hospital?

MR. R. CLARK: The road to Grande Cache.

MR. KROEGER: Mr. Speaker, could I take that as notice, and I'll get a date for the hon. member.

MR. L. CLARK: Mr. Speaker, I would like to ask a question of the hon. Minister of Transportation.

MR. SPEAKER: Is this a new question or a supplementary?

MR. L. CLARK: It's a new question.

MR. SPEAKER: We've run out of time for the question period. When we had the rather large number of supplementaries at the beginning, I wasn't aware that as many members wished to ask other questions. I apologize to them for not having been able to reach them.

Burns Plant Closure

MR. HORSMAN: Mr. Speaker, yesterday during question period my colleague the Minister of Labour took as notice a question as to the manpower adjustment committee at the Burns plant in Edmonton. I wish to respond today, since this is a matter of mutual concern to his department and mine.

The committee, which was formed on April 26, has three members from the union and three members from the company; in addition a chairman, Mr. Frank Robinson, and representatives from the federal and provincial government departments directly involved. This committee has met five times, most recently yesterday.

The information centre has now been transferred to the union hall, and on May 22 all workers requiring Unemployment Insurance commission assistance and placement services were able to register at the union hall. At that time, 91 so registered, and about 15 people requested and are now receiving counselling from the Department of Advanced Education and Manpower counselling services. All packing plants in the Edmonton area have been visited, and a number of positions made available.

As to the question of assistance being based on seniority, I wish to advise the Assembly that assistance is not on the basis of seniority but on the basis of need, as expressed by individuals. Based on the resumes received to date, 25 persons have found new employment. In addition, a major food processor expanding in the Edmonton area will open approximately 100 positions by early June, and the first choice as to employment in that facility will be made available to Burns employees.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

101. Mr. Notley moved that an order of the Assembly do issue for a return showing copies of all reports prepared by the Interdepartmental Committee on Hazardous Materials, chaired by Mr. Ernie Tyler.

MR. NOTLEY: Mr. Speaker, I believe I moved Motion for a Return No. 101 the other day, and the minister asked that it be held over.

MR. SPEAKER: It has been held over.

DR. HORNER: I take it, Mr. Speaker, that the hon. member has moved the motion.

MR. SPEAKER: I'm not certain that it was moved. There was a motion that it be held over. It has been held over. If further action depends on the hon. member moving it, perhaps he would like to do that.

MR. NOTLEY: Mr. Speaker, I move Motion for a Return No. 101.

DR. HORNER: Mr. Speaker, while this motion deals with a very important item, that of hazardous materials, it cannot be accepted because it requests an interdepartmental committee document. It has been the principle of the government not to make available those working papers of government.

However, because of the importance of the whole question of hazardous materials — by the way, that's really the transportation of hazardous materials — the work was done to have input at the request of the federal government to a federal Bill which was before the last parliament but was not passed. I suspect that the new government will also bring it forward.

So, Mr. Speaker, while we cannot accept the motion, I'm prepared to file with the House in a matter of a few weeks a paper outlining the work done and the representations we've made to the federal government relative to their Bill on the transportation of hazardous materials.

MR. SPEAKER: Do I take it that the hon. minister has moved an implied amendment, or are we going to vote on the motion, or does the hon. member wish to withdraw it?

MR. NOTLEY: Mr. Speaker, to facilitate the order of business of the House, in view of the fact that the minister has made the statement he has and is going to file with the Legislature Library, I would request permission to withdraw the motion.

[Motion withdrawn]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

202. Moved by Mr. Stewart
Be it resolved that the government of Alberta give

consideration to setting up a program to develop and improve grazing on Crown Lands that have been lost to brush and tree growth.

The prime objective of this program would be to stimulate livestock production on land that otherwise would lie dormant. Much of this newly productive land would be in existing grazing associations, and should be directed towards new members, preferably beginning farmers.

MR. STEWART: Mr. Speaker, this is my first opportunity to be on my feet this sitting of the Legislature, and I must congratulate you on your appointment as our Speaker for the coming term. I enjoyed the opportunity of having your good wisdom in the Chair in the last term, and I am sure we all will this time.

It was very fortunate, Mr. Speaker, that a publication described as Alberta Public Lands became available from the department of Public Lands and Wildlife and was distributed to all members yesterday, because the motion I propose to talk about today is going to cover basically that portion of public lands that at the present time is held under grazing leases of various natures.

For those members who are not familiar with The Public Lands Act — I am sure a lot of urban members wouldn't have taken the opportunity to study; most people don't study too many Bills unless they particularly apply to them — I think it's only reasonable that I should give members a list of the various ways we handle grazing on public lands in Alberta.

The first and most prominent is the private lease to an individual. We have grazing associations, commonly called community pastures or co-ops. We have grazing permits, forestry grazing permits, and grazing reserves. Each one has a little different set of rules on how it's operated, and I think that before I go into rehabilitation on these reserves in depth, I should give you a little more insight on how they operate.

At the present time the private leases are based on, I think, a 10-year renewable lease. At one time there were 20-year leases. The private operator or corporation has the responsibility for fencing and any upgrading work he feels is necessary to get the best advantage out of that particular land for grazing.

The grazing associations, as they are called, are groups of people who form an association and, as a group, have public land made available to them that they handle in much the same way as a private individual. In other words, they make their own improvements. They are a governing body in the operation of that particular piece of land and divide it up among a group of farmers who have access to it.

Grazing permits are a short-term form of grazing where the land may be held for some other prior use. Some grazing permits have gone on for long periods of time, but due to the fact there may be another prior use for the land, they aren't issued a lease. They are a yearly grazing permit.

Forestry grazing permits are made available in forested areas where some grazing is available to individuals, and on the same basis: that there is no long-term lease available to them.

Grazing reserves, on the other hand, are developed by the department of Public Lands and Wildlife and brought to a productive state, fenced, and managed by the department. Hired personnel operate these grazing reserves. Different farmers who make application and are accepted deliver their cattle to these grazing re-

serves and, in turn, they are under the management of department personnel during the time they are there.

There are 5.7 million acres in the province, Mr. Speaker, under one or another of these forms for grazing purposes. When you consider that about 44 million acres are under private holdings in the province, it's not a big percentage of our land. But basically it is our lower grade land that does not have agricultural capabilities beyond producing grass. In most areas there is quite a variation in climatic conditions, and consequently quite a difference in the types of grazing that take place from one area to another.

In the drier parts of our province where tree growth isn't a problem, particularly in the special areas, there is still a need for rehabilitation of some of this land that has been farmed and has gone back to a type of grass that is not as productive as it could be.

But the prime objective of this particular motion is to draw attention to the fact that throughout the province, in the parkland and the gray-wooded soil areas that are under grazing leases at the present time, we have lost about a million acres — that may be a conservative figure — in grazing capacity compared to what we had 10 or 15 years ago. In other words, about one-fifth of this land that was available for grazing has been lost to brush and tree growth. This extends right from the southern part of the province to the north. In the southern part it's more in the foothills regions. Basically once you get north of the special areas in the eastern side of the province, you're into a parkland belt where trees are becoming the prime problem as far as available grazing land is concerned.

I think it's a responsibility of this government, in the husbandry process of government control of this land, that we take the best advantage in keeping it in production. On privately owned land of the same quality throughout the province, a lot of brushing is going on to overcome this tree growth problem. But we have had few universal programs throughout the province that a lot of these leases have not been able to accommodate for one reason or another. The programs were federally/provincially operated. They had stipulations in them that precluded many of the people from taking advantage of them.

I feel that we should address ourselves to the fact that a lot of land is lying dormant today that could quite well be producing livestock. As an industry in this province, livestock production is probably at a low ebb at this particular time. It's not going to respond as quickly as it should, for the simple reason that a lot of the privately owned land has been brought into agricultural production, and with the escalation of land values, many people cannot see themselves putting land like that back into grass. I feel that our livestock production return in numbers will be slow in the next period of time as a result of this.

Most Crown land that's under a grazing permit of one form or another at the present time is fully utilized, and some of it, I must say, is being overgrazed for the simple fact that the tree growth is pushing the numbers of cattle down. The people who are using them are beginning to feel that if they're going to get full production and take full advantage of this land, we should be setting up a program that will accommodate the removal of brush and tree growth, and bring some of the best of their land back into production. This is not to say that we're going to start any program that would hinder the accommodation of

wildlife in the area. Among the wildlife people it's commonly agreed that 15 to 25 per cent tree growth on land is about ideal for wildlife. In a lot of areas we're up to 75 and 80 per cent brush on land that's under lease.

This can be accomplished by a variety of methods. Where the tree growth is fairly heavy and producing nothing, the most popular is a complete renovation of brushing, breaking, and reseedling. At present costs we're talking in the neighborhood of \$100 to \$125 an acre to bring this land back. When we have accomplished this, Mr. Speaker, the best rate of improvement can be twelvefold. In parkland and gray-wooded soil areas, it's considered that it would average about an eightfold increase in production, compared to the unimproved land. In the prairie parts of our province, where it would be a matter of reseedling with a superior variety of grasses, we're looking at a threefold to fivefold improvement.

I feel this type of improvement warrants consideration of the expense, because bringing this land into production would greatly benefit the economy of this province. It's considered that a threefold multiplier would be the outcome of this money being invested in agriculture. It would improve the livestock that could be capably run on grass. We're hearing stories today that there's going to be a need for more lean beef in the market place and maybe that in the future not all our cattle should be grain fed. If we had a grass economy that would accommodate it, I'm quite sure there's a ready market for that type of meat. If we're going to increase our cattle numbers, somebody has to increase the cow-calf operation. This is the type of land it has to be done on.

I know the first thing a lot of people will ask is, what type of recovery of investment can we expect? At the present time, we are getting about 20 to 30 cents an acre from unimproved grazing land in the province, depending on the location. On improved land, with the increased carrying capacity, we could be looking at about \$1.30 an acre. Mr. Speaker, I'm quite sure that if anyone wants to do a little mental arithmetic, it doesn't look economically feasible to spend \$100 an acre to improve land with the prospect of \$1.30 return. But we have to recognize that our grazing leases have been held from about 7.5 per cent of the value of the forage grown on that as royalty, down to as low as 3 per cent in the north of the province.

If we're going to improve this land, Mr. Speaker, we have to think in more realistic terms compared to what grazing land is being traded for in the private market. At the present time, this varies from \$8 to as high as \$12 per month per animal. Now, when you consider that the market place is willing to pay that for grazing on private land, these Crown leases are not being taxed to their utmost capacity. I'm putting it out that the people in rural Alberta who have the advantages of Crown land are going to recognize that there has to be a reassessment of what we are charging in royalties, in rental on our leases, if we're expecting to improve them. I think the economy of the whole country would be improved as a result. I do not think every dollar invested would have to be returned in the form of lease rentals to be practical, but I do think there has to be a complete assessment of our present rates before we can take a long look at spending a lot of money on improvements.

[Mrs. Chichak in the Chair]

I'm quite sure there are a lot of young farmers in the northern part of the province who, with access to some Crown grazing, could make a viable farm out of the land around it presently available for sale but at a figure so high they cannot put a viable farm together. We give lip service to family farms, and we give lip service to getting young farmers back in the industry. With the escalation of land values in the last seven or eight years, there's little hope of a young farmer getting started on his own unless it's passed on within a family. It's almost the situation today that it's not very good advice to tell a young fellow to pay \$500 an acre to get into farming, when the capability of that land to produce a repayment of that \$500 is almost out of the question.

We've heard about land being bought by foreigners. We've brought in legislation to protect our land from that. But you have to realize this is a very wealthy province, and a lot of people are putting money into land as a hedge against inflation. They feel that land will always have value. I think that over the next few years this is going to be a serious problem as far as agriculture is concerned. As these farms become available and are bought up, we're going to have what I call tenant farmers. I'm not sure we're happy with this philosophy, but I do not see any way around it. The one thing we have control of is our Crown land. I think we should keep it in the hands of the Crown and charge a price people can afford to pay. In that way we can at least keep that portion of our economy in a practical solution as far as livestock production is concerned.

I hope other members will consider the situation and voice their views on this subject, because I think it's something we have to address ourselves to. It's a concern we all have. Agriculture is one of the mainstays of our economy; it's a renewable resource. Our land values under Crown lease have a lot of capabilities of improvement. There are no easy answers to changing any philosophy that's been in place as long as our grazing lease policies. Any changes are going to have to be made in consultation with the people involved. I think there's a great possibility in this province for the improvement of this phase of agriculture, if it's properly done.

MR. ISLEY: Mr. Speaker, I would like to speak in support of Motion No. 202, submitted by the hon. Member for Wainwright.

Substantial tracts of public lands are located in the Bonnyville constituency. Some of these lands are held under grazing lease, some under grazing permits by individuals, some are held under grazing associations. The provincial government is currently in the process of developing a grazing reserve in the Wolf Lake area. In addition to that, much of our public land in that corner of the province is still vacant.

Mr. Speaker, as a result of the further settlement of our area of the province and regulations prohibiting the control of brush by burning, the production of our grazing land has deteriorated. The area that used to be in grass has been taken over by thick growths of poplar trees, stunted spruce, and underbrush. The irony is that the regulations initiated to control burning by the individual on leased, or public, land have probably encouraged more uncontrolled burning than we used

to have. On some leases fires seem to have a mysterious habit of starting in the right place and at the right time. Unfortunately for the grazing industry, probably enough aren't started, because for some reason they just don't occur where smaller leases are located. Controlled, supervised burning would make more sense and greatly increase the carrying capacity of these lands.

Mme. Speaker, another concern raised by cattlemen in my constituency is what they perceive as a subsidy being provided by the provincial government to those cattlemen who have access to government grazing reserves. They argue that the government clears and seeds the land, builds and maintains the fences, and provides a rider for the supervision and care of the cattle, where they don't get these services in their associations or private leases. Individuals who have short-term leases or grazing permits are hesitant to invest in capital improvements due to what could be short-term access to these public lands. I would encourage that consideration be given to this concern when developing programs.

This leads us into the broader question: are we subsidizing cattlemen who have access to public lands over the cattleman who runs his operation on deeded land? Caution must be used when considering this question and the resulting question of grazing fees. A number of factors must be taken into consideration. The diverse climatic and growing conditions within the province make it necessary to look at the question of fees on a regional basis. There is a significant difference in the native grass from the south, through the central, and into the northern areas of this province.

In the north a cattleman is also faced with a minimum of seven months of winter feeding and is lucky if he can get in five months of grazing. This increases his production costs substantially over his more fortunate southern neighbor who gets very little of the pleasure of handling bales day after day in 40-below weather.

Mme. Speaker, a second factor which must be considered is loss of livestock to wildlife. This can be a significant problem faced by cattlemen grazing in the brushland leases in the northeastern part of the province.

To be acceptable to cattlemen of my area of the province, any review of fees should be considered on a regional basis and be based on the productivity of the land involved and the growing season.

Mme. Speaker, the impending oil boom in the Bonnyville constituency has caused a sharp increase in the price of deeded lands. We must therefore find ways of using our public lands to enhance and develop agriculture in the area. Our success in achieving this can be of utmost importance, particularly to the beginning farmer. Some consideration should be given to increasing lands designated as cropping leases, as well as grazing leases.

Mme. Speaker, another challenge we face in the administration of public lands is that of co-ordinating multi-use. We must search for ways of improving the relationship between different groups aspiring to use our public lands. I'm thinking here of such groups as the livestock producer, the farmer, the trapper, the oil and gas industry, the mining industry, and members of the public interested in the use of public lands for recreation. Probably one of our major challenges in the administration of our public lands is going to be

to find some way of coming up with a multi-use formula.

Thank you.

MR. THOMPSON: I first would like to commend the hon. Member for Wainwright for introducing this topic to the Legislature. From what the two previous speakers have said, I think it is an interesting topic of real concern to the ranchers of the province.

Down in my constituency of Cardston we don't have too many trees, but we do have a problem where the foothills meet the mountains. I suspect this carries on through the constituencies of Pincher Creek-Crowsnest, Macleod, Highwood, and Banff-Cochrane.

Since the turn of the century, we have not had that many forest fires in this part of the country, but before that time there was what I would call uncontrolled burning. Accidentally or on purpose, fires regularly swept that part of the country, and they had a real effect on keeping the brush down. It's an historical fact that years ago the Indians, in either early spring or late fall, would set fire to the grass, for the simple reason that when the buffalo came back in the spring the burnt-over areas would turn green first, and it naturally attracted the buffalo to those areas. So there has always been a certain amount of uncontrolled burning down in that area before the settlers moved in.

However, since that time, we have held down both brush and grass fires. Because of this there has been a gradual increase in the amount of brush along these foothills and a decrease in the amount of grass available for grazing.

Now some of the people on deeded land have, in the last few years, recognized this problem and gone to considerable expense to control this brush. One rancher that comes to mind is Morris Palmer. He has the Cochrane ranch next to Hill Spring. In the last four and five years he has done quite a lot in piling brush, rough-breaking the land, and reseeding it better than the native grass was.

[Mr. Speaker in the Chair]

I would like to commend the former Associate Minister of Energy and Natural Resources for establishing a pilot project in my area at Poll Haven. Poll Haven is a 16-section block of land just east of Waterton Lakes National Park on one side and the U.S. border on the other. It consists of some lodgepole pine, but on the eastern side it has a lot of grazing area. Since 1949 it has been used primarily by a grazing association in that area. They have complained in the last 10 years or so that the carrying capacity of the range down there has been decreasing steadily because of the increase in brush. So the department decided to put a pilot project there. It's small, but they are going to pile the brush and reseed 800 acres in an area of 1,200. Besides that they are going to break up the natural grazing pattern by constructing dugouts, developing springs, and putting out salting stations in strategic positions.

At this time I would like to give some idea — and my figures pretty well jibe with what the hon. Member for Wainwright stated. It will cost approximately \$120 an acre to do this range improvement. The estimate of the department is that it carries .17 animal units per month at present; when it has been worked over, it will bring it up to one animal unit per month. So this is

over a fivefold increase.

One year they'll pile the brush with bulldozers and break the land. They'll seed it the next year. I suppose they'll burn these brush piles when it's possible. Then in the third and fifth year, they plan to use a herbicide spray to control new brush that starts to come up. This is the plan. The cost of it breaks down something like this: the breaking and brush-piling is going to be about \$80,000 for this 800-acre pilot project, fencing will be about \$8,000, water development \$10,000, and pasture maintenance \$16,000, which comes to a total of \$114,000.

Before I sit down, Mr. Speaker, I would like to underline that they will take a hard look at the economics of the pilot project when it's in place. To this point it has been very well received by the people in the grazing association. Of course a few people really don't favor this. But on the whole I think it is a step in the right direction, and I commend the government for doing so.

Thank you for your attention, Mr. Speaker.

MR. MANDEVILLE: Mr. Speaker, just a few very brief comments on this resolution. I've got to say to the mover that I do agree with the resolution. I think we don't get the return we should from our grassland now, not only on grazing leases but on some of our deeded land. We've got to have 40 or 50 acres to summer one cow-calf unit. We certainly don't get the return from that grass that we should. As for re-grassing, I certainly agree that it improves the carrying capacity considerably.

However, I would like to caution as far as clearing our land is concerned: can we recover the investment we're going to have in this recovery project to clear this land? Several years ago, I think about 1972, I recall the federal Minister of Agriculture indicating it was going to be 1980 before we were going to have enough cattle to supply the demand in Canada: Well it was only '74 when we had too many cattle in the province. I wouldn't like to see us promote a program such as this: the federal government came out and paid \$10 an acre to promote our farmers, especially in the northern part of the province, taking their land out of grain production, seeding it to grass, and getting into cattle population. Anyone can see what's happened over the few years that they were into the cattle industry: the years were tough. Now, when we've got a few good years in the cattle industry, a lot of farmers in the north have sold their cattle. They went out of the cattle industry because they couldn't carry the debt load or couldn't continue to stay in the cattle business. Now they're going back into grain, just when our cattle markets are very good.

I would like to make just one caution: let's not start promoting people getting into the cattle industry at this time. I appreciate that our cattle population on the North American continent is certainly down considerably from what it usually is. There's going to be a demand for increase in our cattle population. As one speaker indicated, we have to have the land and the grass in order to get back into cow-calf operations. So many of our ranchers went out of the cow-calf operation and went into a yearling operation. If we're going to increase our cattle population and stabilize the cattle industry in Alberta, we've got to have the cow-calf operator.

As far as the re-grassing program is concerned, not

so much the ranchers but the feedlot operators have been putting our young animals in the feedlot instead of growing them on grass. They'll put them in the feedlot at 400 pounds, give them high-protein barley, oats, or wheat, and sell them at 1,000, 1,100, and 1,200 pounds. So I certainly think it's time we looked at growing our cattle on lower protein. We've got to do that on our grass. I think we should expand our re-grassing program in the special areas, because they don't have the carrying capacity they should, and we run a lot of cattle in those areas. When we do this, Mr. Speaker, I think we should turn it over to our young farmers and subsidize them when they have to get back into the cattle business.

I'm concerned about the reduction from 20 to 10 years of the lease tenure to some ranchers. I've heard a lot of complaints, again in the special areas, about reducing the tenure of their leases to 10 years. It doesn't really give them time to make improvements, to take advantage of the facility, if we have 10-year leases. It doesn't really give them the opportunity to change their operation in the event that we do take the leases away from them. So while the committee is studying this, I would like them to take a good look at putting the tenure of our grazing leases back to the 20-year period.

MR. HYLAND: Mr. Speaker, this being the first opportunity on my feet in the House during this session, before starting debate on this resolution I'd like to commend you for your re-election as Speaker. I'm sure you'll be a guiding influence on us through the next four years. During my first four years in this House, I learned much from the way you operate the House. And from the one other Legislature I've seen in session, the way this House runs is a credit to you, and to the members on their conduct in the House.

Mr. Speaker, I would like to commend the Member for Wainwright for bringing forward this motion so that we have a chance to debate it in this Legislature. Public land has a very important place in my constituency, as the southern part is composed mostly of public land upon which many large and small ranch operations are set up. Some of the land is privately owned, deeded land, and the remainder of the operation is carried out with leases to public lands. Numerous grazing reserves and grazing associations hold leases in the area.

I note in the document tabled by the Associate Minister of Public Lands and Wildlife yesterday in this House that some 188,849 acres of public land in reserves are in the Cypress constituency. Mr. Minister, if my total isn't quite right, the hon. Member for Bonnyville checked my mathematics. I was 1,000 acres out. He says that's the right answer. A number of these reserves have been in existence for a few years. Just recently one was set up because of reorganization of a number of ranches from legislation prior to 1970, which directed the number of head of cattle one could run on leased provincial land. That grazing association is named Sage Creek. It is some 61,000 acres in size, and I'm not sure of the carrying capacity, but I would assume it's somewhere between 30 and 40 acres per cow. So as members can see, and as previous members have said, there is a wide difference throughout the province in the amount that can be carried per acre. There is also a wide difference in the charges per acre throughout the province. The charges for grazing are calculated on

the carrying capacity and the forage value thereof, and on cattle prices throughout that year.

Also, in three of the reserves I believe fairly substantial irrigated acres have been machine-levelled and seeded to grass. This was done a number of years ago. It has proved fairly successful, because removing brush and taking the available land out of dryland pasture, if it can be irrigated, increases the carrying capacity as manyfold as the hon. Member for Wainwright suggests, maybe more. For example, the Bow Island Grazing Reserve has some irrigated pasture as well as a large number of acres of dryland pasture associated with its operation.

The various re-grassing programs that have come out through the years have been actively explored by many holders of grazing reserves. Some of these programs have recently terminated. I agree with the hon. member that we urge the government to consider new programs in order to make these lands more productive. In a time of multi-use of lands and pressure being put on public lands for all kinds of uses, it is important that we use these lands to the maximum available to us through whatever technology we possess. But we must be careful that we do not destroy the values in the lands, where we have land that is very sandy or very rocky and we try to re-grass. I believe any improvement should be made with the leaseholder and with the appropriate experts we surely have on staff in Public Lands.

We heard the hon. member comment on removal of brush by fire. But I must tell you, Mr. Speaker, one of the most feared things on the prairies is a fire. I'm sure the hon. Member for Bow Valley and the hon. Member for Cardston will agree with me. I can well remember a number of years ago fighting fire, from 10 o'clock at night, that had destroyed a ranch building through onto some of our community pasture. I think we finished about 10 or 11 o'clock the next morning. We were sure we had the fire out. But we were fighting it through some coulees onto the banks of the South Saskatchewan River, and there was a slight breeze blowing at the time.

I'll tell you, when you're in that situation you can well see why parts of the world use some forms of cow chips for heating material. You were sure you'd have the fire out; you'd be down right by the edge of the river; you'd look back up on the hill and, sure as shooting, the wind had whipped up some of those cow chips and the fire was away again. So back up you would go. I'm not sure how many times we went up and down that hill, Mr. Speaker, but we did think we had the fire out, only to find out that it started up a few hours later. Another crew of people went over, and eventually it was put out by machines employed by the department of lands.

In these areas, Mr. Speaker, the grass comes back. It looks lovely and green, but it comes back late. It also leaves no food value for the cattle until it starts to grow again, whereas the grass can be left and used the following year with other land that is properly grazed. Mr. Speaker, I say this because most operators, through proper husbandry, don't graze their lands to the total allowable value, the per-animal units per acre that are allowed them by the department. They feel it is proper for them and proper operation to leave some supply there to use next year, in case of a particularly dry year or if some other unforeseen circumstance occurs.

Through a meeting with the Western Stock Growers' a while ago, they gave us a document on some of their feelings on Crown leases and Crown land. In it are what they think should be the answers for security of tenure on their leases, also what they think should be the answers on proper husbandry. They say that any improvements should be carried on upon agreement with the leaseholders of that land, and that the leaseholders should not do anything without notifying the department of Public Lands and Wildlife and having their situation looked at, in case it may not be the right step to take.

Mr. Speaker, the resolution put forth by the Member for Wainwright is timely. I'm sure we will hear from the appropriate associations involved that have certain feelings and represent people who make their living off grass and cattle. I'm sure we will hear from them shortly. I look forward to receiving their opinions on the resolution. Mr. Speaker, I look forward to hearing the opinions of other members on this resolution.

I would like to commend the Associate Minister of Public Lands and Wildlife for the document he tabled in the House yesterday. It is very explanatory and very expressive of the divisions of the department, the things they carry out and operate, and what they do for the land that we, the people of Alberta, all own. I would like to commend him and his department for that publication. I'm sure it will help the citizens of Alberta gain knowledge about the department, about public lands, and the way we are looking after their land for the benefit of the people of Alberta.

Thank you, Mr. Speaker.

MRS. CRIPPS: Mr. Speaker, I live in an area where there are two grazing reserves, locally very unpopular. They are Buck Mountain Grazing Reserve, containing over 17,000 acres, and Medicine Lake Grazing Reserve. These reserves are generally pastured by farmers residing in the eastern portion of the county of Wetaskiwin, and in the counties of Leduc and Camrose. I would like to assess that the majority of these cattlemen usually sell grain also. The landowners in the gray-wooded area where I live do not have this option. Their only saleable product is beef.

Since these community pastures are being subsidized, the concern I want to raise is that we do not subsidize one group of cattlemen in favor of another; that is, the cattlemen who essentially raise grain and pasture the cattle in the summer on grazing reserves, and the farmers who own and pasture their own land. Maybe we are giving the farmers who pasture land, the grazing reserves, an economic advantage. The cattlemen on the gray-wooded soil in the western portion of Alberta in my constituency would really like to see a grain reserve at Camrose.

Mr. Speaker, when you have only one saleable product, you cannot hedge. I think we must consider realistic fees for grazing. Certainly some of the settled areas such as Buck Lake resent the fact that over 33,000 acres in their area are in grazing reserve. They would much rather have family farms. For this reason I think in the selection of grazing reserves, we must be extremely careful that the local residents want and need them — such as the one at Cynthia.

I do agree, however, that there is a need to make maximum efficient use of Crown land, and that possibly the best experts to ask for advice on the improvement of the grazing reserve in their area are the

farmers. Sometimes they have a little bit of experience in that area.

In closing, Mr. Speaker, I'd just like to re-emphasize the need for local residents to have some involvement in the selection of the grazing reserve in their area.

Thank you.

MR. APPLEBY: Mr. Speaker, I'm very pleased that the hon. Member for Wainwright introduced this motion to the Assembly today. I think it's a very timely topic, and one of great concern to people throughout the province. I think that's well illustrated by the fact that we had members in the House today from Cypress, Bow Valley, and Cardston in the south; Wainwright in the east; and Bonnyville and my own constituency of Athabasca, of course, in the north — all of us very interested in this particular topic.

I have some apprehension about making my next remark because I'm in the gray-wooded area as well, and my seatmate has said they are limited to raising cattle in her district. But in the constituency of Athabasca they raise cattle, grain, Canola or rapeseed, and we have one farmer raising 50,000 turkeys a year. So there's a great variety in the type of production in the Athabasca constituency.

I think one factor that has to be considered when you think about grazing reserves is the matter of relation to land prices today. Even in the gray-wooded areas of the province, such as in the Athabasca constituency and others, we have quarter sections of land selling today for \$50,000 or more. Young farmers trying to develop a farming operation looking at those kinds of costs for purchasing farmland find it very, very difficult to obtain sufficient land, at that price at least, so they can keep some of it in reserve for pasture and for growing forage crops, and have enough for grain as well to maintain their cattle operations in a general way. And I do say we have mainly cattle operations there. So I think it's vital that grazing reserves be developed and maintained.

In my constituency we have the Black Bear Grazing Reserve, which is continually being developed, year in and year out. You can see progress every year as you go by. We have a great many other areas in the Athabasca constituency, as well, that are suitable for development for this purpose. A lot of areas in this province are set aside in the so-called green area, which is a forestry reserve in reality. But you find burned-over areas there, you find swamp land, you find very rough terrain in some places; land that is certainly not going to produce commercial timber again unless it is reforested, but it could be converted into grazing land developments, and very good ones at that.

The Member for Cardston mentioned something about the costs of developing grazing leases. I think the figures he presented were quite realistic. It is expensive to clear the land, to work it down, and to seed it. But if we are looking at this in the manner of something we are in fact reclaiming, land that would not be productive or useful for any other purpose, then I think we have to balance that with the costs, because costs really shouldn't be that much of a factor. If the money is available, we have to consider that we are building these lands and these reserves and making something that is going to add to the productive ability of this province, something that is going to permit us in the future to have something in the way of farmland, grazing land, that is productive — al-

ways keeping in mind the fact that we still have that continual urban sprawl, which is gradually encroaching upon some of the very high-quality agricultural land related and close by the large urban centres.

So when we balance that with costs, I think we have to say, well, now we have made an investment in this land; it is going to be productive as far as our agricultural sector in this province is concerned. It is going to be reclaimed, particularly when it's seeded down to legumes and grass. That land is not productive at present, but once we seed it to legumes for a few years it is going to be much more productive. And I think it's going to be a factor in the future of this province.

I went to a meeting about the Black Bear Grazing Reserve this past winter, and I was amazed at the number of people who attended. There was considerable discussion as to how many cattle they could get on the provincial grazing reserve. It got to the stage where they had all the assessments put in, and they had to allocate and put people on a quota system because there wasn't going to be sufficient pasture to meet the needs being requested by people wanting grazing access.

So I would suggest to the hon. minister that in the Athabasca constituency we have vast areas that could still be developed as far as grazing reserves are concerned. I know that under the heritage trust fund recommendations we have set money aside for development of more reserves. I know that we are developing these reserves throughout the province on a yearly basis. This is a program that will have to be continued. We'll have to look at it so that it's progressively developed throughout the province. In the future we will perhaps be able to develop it to such an extent that we will not have to have quota systems for people wanting to put their cattle on these reserves.

All in all, Mr. Speaker, we're looking at building up and maintaining our heritage in just another aspect of what we want to do in the province of Alberta.

Thank you.

MR. BRADLEY: Mr. Speaker, in view of the time, I beg leave to adjourn debate.

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

HON. MEMBERS: Agreed.

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

**Bill 202
The Code of Ethics
and Conduct Act**

MR. NOTLEY: Thank you, Mr. Speaker.

I move second reading of Bill No. 202, The Code of Ethics and Conduct Act. Mr. Speaker, in moving second reading of this particular piece of legislation, I'd like to quote a comment by Rousseau, a famous philosopher who once said: "Those who would treat politics and morality apart will never understand the one or the other." In addressing the subject of a code of

ethics and conduct for public officials, I think it's important to recognize that the place to start is obviously with honest people. There's no question about that. But it's my submission that in addition to honest people, we must supplement that beginning point with a set of rules, rules of the game that are clearly understood. I suppose, Mr. Speaker, it's fair to say that this government has already acknowledged the importance of that, because we now have a code of conduct for public employees in the province of Alberta.

I want to underscore this point, Mr. Speaker, because of the controversy of the last few months: the issue is not the integrity of individuals but in fact of the system itself.

I suppose the government's basic position, as I've listened to the Premier and others describe it in the Legislature, is that a code of conduct for elected public officials — and for that matter senior civil servants, such as the heads of Crown agencies or executive assistants to cabinet ministers — would unduly hamper the recruitment of competent people from the private sector. I don't agree with that particular argument, Mr. Speaker. But at least it's a reasonable argument that has to be assessed. I would say to the members of the Assembly that we have to balance the merit in that particular argument with the dangers of simply having people bob back and forth from government to the private sector and the potential for conflict of interest, for unfair competition, for turning into private commercial success the information one gains as a member either of the Executive Council or as a key administrator in a government acting on behalf of all the people.

Mr. Speaker, if there is anything to learn from the tragedy that occurred in the United States during the Nixon era, it wasn't just the matter of those conversations in the Oval Office that were taken down on tape, that finally led to the exit of the most powerful man in the world. Perhaps more serious in terms of an indictment of that era is that we had a form of what might be described as situational ethics, where anything goes. The inevitable consequence of situational ethics was that many essentially honest people moved over the border between what was reasonable and what wasn't, because the standards weren't there and weren't enforced.

So, Mr. Speaker, while arguments can be made against a code of ethics, because it will limit people entering public life, the fact of the matter is that whether one gets involved in any kind of profession or any kind of business — I notice that a number of major corporations have clear-cut codes of ethics. Over the weekend I got one of the financial reports of a large corporation that had a very clearly designated code of ethics for its officers. And we all know that the professions have developed codes of ethics as well.

So the issue is: should we, as elected members of this Assembly, as the people who are ultimately responsible to 2 million Albertans, move to the codification of a set of ethics outlining conduct we think is suitable for people in public office.

Mr. Speaker, there are essentially four major provisions in Bill 202. The first is the normal conflict-of-interest provisions; the second is the question of public disclosure; the third is the issue of a cooling-off period or post-employment prohibitions; and the final point is with respect to the appointment of people by Executive Council as opposed to the normal public service route.

Mr. Speaker, all of us recognize that there have to be some conflict-of-interest provisions. The Legislative Assembly Act already specifies certain conflict-of-interest provisions. Bill 202, and I gather Bill 203 too, would go somewhat further in setting out provisions with respect to both Members of the Legislative Assembly and members of Executive Council. Members will note, as they peruse Bill 202, that the provisions in this Bill with respect to MLAs are almost identical to the code of conduct we are setting for provincial employees, and similar to the Ontario code of conduct. Members will also note that there are specific provisions for ministers.

Mr. Speaker, the provisions contained in Bill 202 are based on precedents in other jurisdictions. Just for a moment, I would like to talk about some of the provisions in other parts of the country. In the province of Ontario, ministers must abstain from day to day business or professional activities. In other words, one can't be a minister of the Crown on the one hand and operate a business as well. In addition, Mr. Speaker, ministers or their families — and members might find this rather interesting — have to face very severe limitations on their ability to purchase land. The only land a person can purchase while being a minister of the Crown in the province of Ontario is a lot or a parcel on which one can have a home, or a parcel of land for recreational purposes. Those very strict prohibitions are set out as far as the province of Ontario is concerned.

In the province of Quebec, ministers must give up professional, business, and commercial activities which could prevent them from devoting the necessary time to their parliamentary functions. I suppose, Mr. Speaker, that's open to some debate. Nevertheless as government grows larger — we've come a long distance from the old United Farmers government. I believe the last budget of the UFA, in 1935, was about \$30 million. The responsibilities of modern government require ministers of the Crown who in fact are doing the work on a full-time basis and simply can't be carrying on all sorts of additional business activities on the side.

In Ottawa, Mr. Speaker, ministers must resign all directorships in commercial or other profit-making ventures and must sever all active business, commercial, or profit associations during their cabinet tenure.

Those are the rules presently in effect in at least three other jurisdictions, and are the reasons why the Bill sets out certain prohibitions as far as conflict of interest is concerned in this province.

I'd like to move from there, if I may, Mr. Speaker, to examine the issue of public disclosure. One of the important things in a democratic society is to make sure the public knows what's going on. I think that's probably one of the most elementary facets of a democratic society. That being the case, there must be public disclosure information. Right now we have cabinet ministers who file with the Clerk statements of their financial worth. I argue that that should be extended to all members of the Legislature, as well as to Crown corporation heads.

Mr. Speaker, I believe this policy the Premier enunciated in 1973 should be extended to MLAs. I thought so at the time, but particularly so now, Mr. Speaker, in view of the fact that we have a large number of MLAs who are going to be carrying on quasi-administrative duties of one kind or another, whether that be people who are going to chair this group, that group, or some other group — the Research Council, the North-

ern Alberta Development Council, or the health services committee. The fact of the matter is that we do have a deliberate policy by the government to move MLAs into at least a quasi-administrative function. That being the case, Mr. Speaker, it is my view that at the very least the guidelines that presently apply to cabinet ministers should also apply to members. I think they should apply to all members, including opposition members of the House as well.

I want to move from there, if I can, to deal with the question of the much talked about cooling-off period, or post-employment prohibitions. The Ottawa guidelines include job offers in a regulated field. May I just take a moment, Mr. Speaker, to talk about job offers, because a certain number of people have raised their eyebrows about this particular feature of the legislation which would compel executive assistants, for example, to notify their minister of any serious job offer in an industry that comes under the jurisdiction of their minister. Now why is that necessary? Let me say first of all that that comes from the federal guidelines, and let me tell you why it's necessary.

Just for the sake of argument let me use the Minister of Utilities and Telephones — not because I have any idea of what is going to happen to that particular hon. minister's executive assistant. But suppose, for example, that the executive assistant of the Minister of Utilities and Telephones were being offered a job by a power corporation. The department has so many crucial decisions to make with respect to the private power companies that it would be necessary, in my judgment, for that executive assistant to go to his minister and say, look, I have received an offer from somebody we are regulating, and I'm sort of laying this on the table. That's the kind of thing that is presently in the federal guidelines.

Now, Mr. Speaker, is that going to limit people who now act as executive assistants? Of course it is. But any set of rules limits the latitude we might like to exercise in doing whatever turns us on at a given time. Speed limits limit our individual freedom, Mr. Speaker, and I suppose it really becomes a matter of judgment whether or not those limitations are necessary and reasonable. Another example might be PWA, which is a Crown corporation or quasi-Crown corporation. Suppose the president of PWA were offered a senior administrative job by Canadian Pacific Air Lines. It seems to me that's the kind of information that should be referred to the responsible minister, whether it's the Minister of Economic Development or the Minister of Transportation, because over the next three or four years there is going to be — at least I hope there will be — some real competition with CP on who gets the run to Whitehorse if this Alcan pipeline proceeds. It would seem to me that as a provincially owned air line concerned about our access to the north, we would obviously want to get into that market. Surely, Mr. Speaker, if a senior executive member of PWA were to receive an offer from the company that now has the competition, that's the kind of information that should at the very least be supplied to the minister in question.

Let me move from there to deal with the question: what happens when somebody has served the public, either as a cabinet minister or deputy minister, a senior position, and decides to leave the public service and set up a business? I don't think the position of the Alberta government could have been made any clearer on Friday of last week when this question of post-

employment guidelines was posed specifically to the Premier. The Premier indicated that the government had reviewed it, and found they simply could not support post-employment guidelines in any way, shape, or form.

Mr. Speaker, I'd like to quote from *Hansard* on March 24, 1976. Hon. members will realize that in that year there was a major dispute in the House of Commons over post-employment guidelines concerning Simon Reisman, the former Deputy Minister of Finance, and James Grandy, former Deputy Minister of Industry, Trade and Commerce. Both these gentlemen had become lobbyists with a large company, and of course the question rose in the House of Commons: to what extent was it suitable, ethical, correct for people who were deputy ministers to be in a position to lobby for a private company after they had left office?

So, Mr. Speaker, we had the hon. Leader of the Opposition, Mr. Clark at that time, saying:

I wonder whether the Prime Minister will review the question of guidelines in respect of what I now see as virtually an untrammelled right of senior public servants to work for corporations in those areas where they have government experience.

The Prime Minister goes on to say, and I think this is important:

I cannot talk about reviewing guidelines because I do not think such guidelines have existed in the past.

That's certainly true, although in fairness to the federal government, Mr. Speaker, it's important to point out that guidelines were introduced shortly after this controversy, Mr. Trudeau goes on to say:

Indeed, I do not think the practice was prevalent, and probably that is why there were no guidelines.

I can say, however, unequivocally that it is a practice which leaves me somewhat uneasy.

Yes, somewhat uneasy. And in fairness to the Prime Minister, we found both the Conservative opposition and the Liberal government, as well as the New Democratic and Creditiste parties, coming to an agreement on a set of post-employment guidelines.

One of the most ardent supporters of the whole argument of post-employment guidelines was Mr. Baker, the Conservative House Leader, who during this entire debate — and the debates in the House of Commons on the Reisman case are very interesting — carried the bulk of the argumentation for the Conservative opposition.

I would say to the members of the House that there simply has to be some cooling-off period. When a person, whether as a deputy minister or as a minister of the Crown, exercises responsibility on behalf of all the people, the tremendous amount of information that person gains can be turned into an instant commercial

Now of course, Mr. Speaker, the majority of people who exercise these high posts are honorable people. And as I said on CBC, when Mr. Clark and I were on a phone-in program today, I think in many ways the government of Alberta is quite fortunate that the one example that has come to prominence is the example of the former Member for Whitemud, whose integrity, in my judgment, is beyond question. Beyond question. I say that in the House so there's no misunderstanding of the issue. Mr. Speaker, the issue is not whether Mr. Getty is or isn't. As I've already said, I don't think that's the question at all. The issue is whether it is a suitable

practice for people after they leave office to be able to set up a business in the general area that was their jurisdiction. If a minister of health care wanted to set up a business in agricultural processing, that's fine. The federal prohibition wouldn't affect that individual. What it would do, very clearly, is qualify the right of a minister or senior civil servant for a period of one year in the general area that was their responsibility, or two years if there was a regulatory feature involved or in fact a direct relationship in the form of money.

I think those are reasonable guidelines. Are those guidelines going to narrow the range of people who will enter public life? Yes, I suppose they will. But I think, Mr. Speaker, that those are some of the things we must in fact live with. You could argue that the code of conduct that applies to the Alberta provincial employees, that this Legislature accepted without any question, limits the ability to get people into the public service, and some people I've talked to have argued that point. The government felt it was necessary to have that kind of code, it was duly enunciated in the House, and became the guideline, if you like. The issue is, if we're going to have that kind of code applying to our provincial employees, can we really say, do as we say, not as we do? Should not the provisions of some of those responsibilities apply to elected members as well? So the particular aspect of this legislation that deals with the cooling-off provision is largely taken from federal guidelines already in effect.

The final point deals with the question of patronage. Mr. Speaker, I'm not going to be so hypocritical as to stand up in this Legislature and say to you or any of the other hon. members — because I want to discuss this issue seriously — that patronage is a charge we can level against the Tories, but not against the New Democrats, the Social Crediters, or the Liberals. It is something that has existed historically. All four political parties have engaged in patronage. But the question is not whether that is an historical fact. The question is: is it right?

What does it do to the public service? As I said yesterday in the Speech from the Throne debate, I think the arguments made by the Prime Minister-elect, Mr. Clark, were very, very effective. He said there are really three problems with patronage — whether it's Conservative, NDP, Social Credit, or Liberal patronage. First of all, it "jeopardizes the long range independence" of civil servants. No question about that. If you're going to have patronage, if the name of the game is not what you know but who you know, you can't have much independence.

The second — and this is a very important point, too — is that it narrows the information base on which to assess options. That's true in Canada, no question about that. If your senior advisors all come from the same political party, the advice they're going to give you is essentially just a reassessment of your own biases, your own views. But having a public service where people have been appointed and promoted on the basis of merit will give you the kind of information base that decision-makers have to have in order to render really objective assessments.

The final point the Prime Minister-elect made, Mr. Speaker, was the impact on civil service morale, on the morale of public employees. Clearly, for those employees who see their future in the public service, gradually going up the ladder, it is rather devastating to find that all of a sudden somebody has been parachuted into

a senior public service position.

So, Mr. Speaker, these are the four main provisions of Bill 202. I just conclude my remarks in introducing the legislation by saying to hon. members of the Assembly that the best possible guarantee for honesty in government is really a twofold thing. I agree with those who say we have to search out honest people. That's obviously the place to start. But it's a question of whether just simply having honest people is good enough, whether it isn't necessary to have a set of reasonable rules of the game added, if you like, as a buttress to the honest people in the first place.

I very strongly believe, Mr. Speaker, that just as major corporations today have codes of ethics, just as professional organizations have codes of ethics, just as we have enunciated a code of ethics for provincial employees, if this Legislature is to have any credibility with the people of Alberta, we must in fact apply a code of ethics and conduct for ourselves as members of this House.

MR. ZAOZIRNY: Mr. Speaker, I welcome the opportunity to participate in this debate. It is, I believe, a matter of considerable importance, both to the members of this Assembly and indeed to the people of this province.

Let me say at the very first that I in fact share the view of the hon. Member for Spirit River-Fairview, of the critical importance of high standards of ethics and conduct on the part of members of this or any assembly. For certainly, if high standards are not maintained, the viability of our entire democratic, parliamentary system is thrown in doubt, and in fact we are no longer in a position to operate legitimately as a government of the people. I believe, Mr. Speaker, that you would find unanimous agreement in this House with respect to the importance of the need for high standards.

Having made those preliminary remarks, Mr. Speaker, one might form the impression that I rise to speak in favor of this bill. I do not intend to mislead this House in any way. I wish to state at the outset that while I agree with the stated principle of high standards of conduct and ethical behavior, after a very careful consideration of both this particular document and the principles which I believe are at stake in the ensuing debate, I in fact rise to speak against it.

I think it's important at the outset of my remarks that I make very clear, particularly in light of the comments of the hon. Member for Spirit River-Fairview, the context within which this debate is taking place, because I think that to a casual observer it might appear at first blush that with a bill being proposed which calls itself The Code of Ethics and Conduct Act, one might come to the conclusion that there are presently no rules, that we in fact have no ethical standards in this House. Mr. Speaker, that couldn't be further from the truth.

The fact is, Mr. Speaker, that we have had for some considerable length of time some very specific provisions, as were mentioned, in The Legislative Assembly Act. In particular I draw the attention of the members to Sections 11 and 43 of that particular legislation. It deals with the very matter of conduct and ethics. Further, we have in place Standing Order 31, which again reduces to writing other aspects of conduct and ethical standards. In addition, as is well known to this House, the Premier personally initiated a policy some time ago which requires disclosure of business interests by

ministers. So I think it's clear and undeniable that various mechanisms which deal with standards and ethical conduct are already in place.

But frankly, Mr. Speaker, even the specific provisions presently in place cloud what I consider the most essential and fundamental safeguard of ethics and proper conduct; that is, the ultimate accountability of this government and every member of this House to the electors of this province. I believe it's an absolutely crucial tenet of our democratic parliamentary system that the electorate is entitled to the final say as to whether or not a government or member behaved ethically or unethically. That is as it should be, Mr. Speaker, because in fact questions of ethics are highly subjective in nature, and ethical standards are inevitably determined by the prevailing mores and values of a society at a particular point in time.

There is a serious question in my mind about the appropriateness of members of a legislative assembly setting their own rules of ethics and conduct. Frankly, Mr. Speaker, I believe we would commit a grave error if we became obsessed with promulgating more and more rules which attempt to deal with every imaginable abuse, because it causes us to lose sight of who is entitled to finally adjudicate this question. The people of this province have that right. While the hon. Member for Spirit River-Fairview may be prepared to cloud in some way their right to make that final adjudication, I'm not prepared to do so.

Mr. Speaker, the second very serious deficiency in this Bill is its potential impact on citizen participation in government. The hon. Member for Spirit River-Fairview spoke extensively on that matter. I must admit he didn't offer me any comfort on it; he acknowledged that it creates a serious problem. I believe it's of critical importance to good government in this province that men and women from all walks of life are encouraged to participate in government, are encouraged to come from the private sector to participate in the legislative processes. The fact is, Mr. Speaker, that even at the present time there are many capable men and women who frankly are quite reluctant to make the kind of job and career sacrifices that result from a commitment to public life.

Fortunately, a good number of people are still prepared to do so, and will leave their vocation on the clear understanding that they will serve in government for a specific length of time and then return to the private sector. By its provisions which prohibit accepting employment for certain periods of time in areas where there's even a general involvement in government service, this Bill will deny to these people who have made that sacrifice, who have come to serve their province and the people of this province, the opportunity to return to their vocation, to the means by which they earn their livelihood. I find that unacceptable.

The fact is, Mr. Speaker — and this is something the hon. Member for Spirit River-Fairview did not deal with — that if we create a situation where it becomes more and more difficult for people to move from the private into the public and back into the private sector, we are going to create a government composed primarily and in the large majority of the career politician, the professional politician. Mr. Speaker, I take no exception to those who choose to go that particular route, but I have very serious reservations about setting up mechanisms which by their very nature are going

to result in a preponderance of that kind of person in government. Now, it may well be that the hon. Member for Spirit River-Fairview isn't particularly concerned about a government composed of professional politicians; he may in fact favor it. Well, Mr. Speaker, I don't. I'm opposed to it, and I hope members of this Assembly are opposed to it as well.

Finally, Mr. Speaker, we must consider the precise wording of this Bill. The hon. Member for Spirit River-Fairview took us on a bit of an adventure through various provisions which he narrated. I too have reviewed it, and frankly I have some very concerns about the vagueness and the ambiguities that pervade this document. I'd like to refer to a few specific examples. I refer members and Mr. Speaker to Section 8(1)(a), which talks about disclosure of all "serious offers of positions outside Government service." What does "serious offers" mean? How do you distinguish between a serious offer and, I suppose, a not so serious offer? Let's take a look at Section 8(2), which talks about "such endeavours do not interfere . . . with official duties." Mr. Speaker, I defy anyone to give real meaning to those words. I think any judge faced with an interpretation of that kind of wordage in a Bill, in a legislative enactment, would wince at the position we'd put him in.

This Bill, Mr. Speaker, which I believe is replete with vagueness and ambiguities — albeit a well-intentioned piece of legislation, and I have no doubt in my mind about that — won't help us to ensure high standards of ethics and conduct. What it will do for us is to create more problems than it's going to solve. So, Mr. Speaker, because I happen to believe in the paramountcy of the people in matters of ethics and conduct of their elected representatives, because I happen to believe that it's crucial to good government to encourage good and talented people to participate in government, and because I believe that this Bill is replete with vagueness and ambiguity which would render its enforcement an absolute nightmare, I must vote against it. And I encourage other members of the Assembly to do the same.

MR. STEVENS: Mr. Speaker, I have no hesitation whatsoever in rising on this occasion to speak out strongly, clearly, and unequivocally against the adoption of Bill 203, proposed by the hon. Member for Spirit River-Fairview.

MR. NOTLEY: 202.

MR. STEVENS: My apologies, 202.

I look back on my 10 years of service in various municipalities in Alberta and British Columbia, my eight years of service to Canada in the armed forces and the Canadian government, and my last four years of service to Albertans as a Crown employee before my resignation and subsequent election. I recall my association with many hundreds of elected and appointed officials at municipal, provincial, and federal levels. They've served and continue to serve their communities, their provinces, and this country with diligence, honesty, and integrity.

Today I have a new responsibility and, together with my colleagues, their deputy ministers, and my own deputy minister the Public Service Commissioner, we are administering The Public Service Act for approximately 29,000 Alberta employees. The hon. member

would have the people of Alberta believe that this government has established one set of rules for its employees and none whatsoever for itself. This is simply not so. Mr. Speaker, the hon. Member for Calgary Forest Lawn has clearly reminded us of the standards, guidelines, and rules of this House.

I feel it's very important that I make clear to the Assembly that the code of conduct and ethics, of which we all have copies — and it applies to our wage employees and our contractual employees — is a guideline for those employees and their managers. These guidelines are necessary from the points of view of the number of our employees, the locations of our various departments across this province, the complexities and variations in our operations, and the complexities of management in today's age of technology and service. Our guidelines apply to all employees under the Act, including deputy ministers. The responsibility for administering these guidelines and issuing instructions lies with each deputy minister of each department. Where the deputy minister or the head of a Crown corporation or agency is involved, then that responsibility lies with the Executive Council.

One of the fundamental issues which concerns me in Bill 202 is that there is absolutely no way that a comprehensive list of activities could possibly be established which would be all-inclusive, to define once and for all the private rights of an individual and his or her public involvement on behalf of the government of Alberta to serve the people of Alberta. Instead, our guidelines provide for an employee who wishes to, to consider outside employment where there's no interference with his duties or conflict with government office, equipment, or space.

I think the important point to note is that it is the responsibility of the employee to bring that opportunity, that possible conflict, to the attention of the employer. The employer is not establishing, as Bill 202 purports, a rigid set of rules with which each employee must comply. With the consent of their deputy minister, our employees may teach courses in institutions, provided time is available. They disclose the business interests of themselves, their spouses, their children under 18, where there is a potential conflict. They cover dealings with relatives, acceptance of gifts, public statements, and political activity. But again, they are guidelines. They are issued in a very broad way, and it is up to the employee and the manager to manage that code. I stress here, Mr. Speaker, that these guidelines rely on the integrity and the diligence of our employees to follow them, together with their managers.

You know, if one expects a child to act like a child, he or she may very well do so. But if one expects a child to be a young achiever, one may be very pleasantly surprised. Similarly, if one treats an employee or an official as potentially dishonest or potentially lazy, the chances are that employee may well come to resent working and to look for ways to beat the system, to go home early or come in late, or perhaps to work against the interests of his employer.

There are many management and motivation theories, and one of them — I'm sure we're all aware of it — is theory X and theory Y. Theory Y management assumes that all persons want to work, want job satisfaction, and seek motivation in success and recognition. Theory X, on the other hand, believes that employees need to be fenced in, need to be prodded into action, need to be treated as potential failures. I believe

Bill 202 before us, Mr. Speaker, is theory X management. It treats the members of this House, ministers of the Crown, their executive staff members, the heads of Crown corporations and government agencies, and persons formerly in such positions for two years after they leave their positions, as theory X people.

This is the fundamental principle at stake before this Assembly. The principle, the issue that has to do directly with the inference in this Bill before us, is that members of the Assembly, ministers of the Executive Council, their executive staff members, and corporation and agency heads, act against the public interest or in conflict with the public interest, or forsake their oaths to Her Majesty and her government.

The strange part about this Bill and all the statements by the hon. Member for Spirit River-Fairview is that all the members of this Assembly have been elected to represent the interests of their constituents and the people of Alberta as a whole. We have sworn our oaths as members of this Assembly, and those of us who have the privilege of serving in the Executive Council have sworn additional oaths. Each of us has The Legislative Assembly Act, and we must each comply with this or be ineligible to continue to serve or to remain as members of the Assembly. The Act is very clear in outlining the conditions under which members hold office and the conditions under which we will forfeit that office.

In addition, as has been mentioned by my colleague, since 1973 our government has required a disclosure of interests to be submitted to the Clerk of the Assembly, outlining all active private interests and property interests of each cabinet minister. The Premier has clearly indicated to this Assembly already that each cabinet member will complete those submissions shortly. There is a clear set of rules and guidelines for all members of this House, and each of us is fully aware of these rules.

I believe, with my colleagues, in the integrity of this Assembly, Mr. Speaker. As a cabinet minister, I share the belief with my colleagues in the integrity of our deputy ministers and our executive staff. Each of them knows his or her responsibilities to our Executive Council and, through them, to the people of Alberta. I know personally many of the heads of our corporations and agencies. I know all of them carry out their onerous duties to the best of their ability and with our faith and trust.

I have another major concern, Mr. Speaker, about this Bill. As mentioned by the hon. Member for Calgary Forest Lawn, this Bill would deprive Alberta of the service of experienced and able administrators, businessmen and women, and individuals. I have the greatest respect for those Albertans who, in their former positions, have served Alberta so well and, in some cases, have now agreed to provide additional service to Alberta. Their appointments have been in accord with the order in council of 1975 setting out salary ranges; for contracts, those contracts have been tabled with this House.

Bill 202 would isolate elected officials from the community. No one in business, or in the civil service for that matter, or in some other level of government could seek office or return to his or her world after serving this Assembly on the basis of the content of this Bill. The Bill would make a cocoon of this Assembly. But worse, as my hon. colleague has mentioned, it would create a breed of professional politicians who would no longer have an interest in serving

the people for a period of time and then returning to their work or their lives at home. They probably would never leave their employment or their home in the first place.

Mr. Speaker, I urge this Assembly to consider very carefully the implications in this Bill before us, and its inference that The Legislative Assembly Act is not sufficient to define the eligibility and possible conflicts of our members; that our oaths of office, our statements of interest, are no longer sufficient for cabinet ministers; and that the integrity of our executive staff, our deputy ministers, our heads of agencies and corporations, and persons formerly in those positions, are all suspect. Further, consider that Alberta would be denied the service of many Albertans.

I speak against Bill 202, and wish to record that I believe, with my colleagues, in the integrity of this House and those who serve it and the people of Alberta.

Thank you, Mr. Speaker.

MRS. CHICHAK: Mr. Speaker, I think this is a rather interesting afternoon, in that we have the introduction of legislation which would lead one to believe that suddenly at this point of Alberta's history, everything has gone askew, the matter of integrity is no longer held with any high regard, The Legislative Assembly Act really gives no direction or guideline or has little substance with respect to the service and the conduct of those who hold themselves out to give service to the people of this province and this nation.

Reference has been made that there is a code of conduct for our civil service employees, but although some guidelines are being used for elected members, that those guidelines are so meek, so minimal, that they really have no meaning or impact. Well, I for one resent that kind of representation. I'm sure my colleagues take the same view. Clearly from the remarks that have been made, that is what the people out there on the street would interpret to have been meant.

Although the hon. Member for Calgary Forest Lawn and the hon. Member for Banff-Cochrane have referred to the existence of the code of conduct that is in place, there really wasn't an interpretation or a wording put forward. Mr. Speaker, lest we should leave it to the general public to try to interpret who is right and who is wrong in what the guidelines are and their adequacy, I would simply like to read from *Hansard* the guidelines put in place some time ago by the Premier of this province.

But before I do that, I would like again to refer to the remarks of the hon. Premier in 1973 which appear in *Hansard* and which I would like, in part, to extract to be part and parcel of the debate this afternoon.

In 1971, when the Progressive Conservative Party was elected to govern this province — the first time in 35 years — we had an examination of the rules. Were they written rules? Were they clear enough in the legislation that existed? Of course one would look at The Legislative Assembly Act, because naturally this is where one would expect to find the code by which elected officials serve the public of Alberta. In addition to that, because The Legislative Assembly Act deals with being a representative of the people and may not necessarily go into the realm of service as ministers and other official appointments, we as a government set forward some additional directions for the public to see. But up to that point in 1971, no requirement seemed to exist for ministers of the Crown to set their assets and

record of business on paper for public scrutiny, in order that the public might determine for itself whether the actions of these ministers of the Crown were in fact infallible.

With that absence, the Premier required the ministers to file with him a list of their assets and their involvements, in order that he might feel secure that if inadvertently any of the members conducted themselves in a manner that might not be acceptable to their position, there could be a reminder and a drawing attention to it.

Then on May 2, 1973, the Premier read into the record of *Hansard* the requirement that must be followed by ministers of the Crown. Mr. Speaker, I would like to have your permission to read a part of those guidelines. The public disclosure of interest requirement set out some basic rules: that all ministers file for public scrutiny

1. A legal description of all land in Alberta, including mineral rights, in which they or their families have any direct or indirect interest, whether as owner, lessee, mortgagee, unpaid vendor, shareholder of a private company, or otherwise.
2. The names of all private companies doing business in Alberta in which they or their families have a financial interest.
3. A description of all proprietorships and partnerships doing business in Alberta in which they or their families have an interest.

All of this in addition to the requirements under The Legislative Assembly Act. Of course the guideline provided that ministers could establish blind trusts.

Mr. Speaker, this in fact was the first code of ethics put in place in Alberta, in writing, apart from those requirements under The Legislative Assembly Act, from the time the province came into being in 1905 to 1971, when there was a required filing with the Premier, and then in 1973, when it was required to make their interests public. I would venture to say that with the requirements for elected officials, and then further in 1978 when the final code of conduct and ethics for the public service of Alberta was put in place, it is a pretty clear indication that it is for the public to know the guidelines under which we must conduct ourselves and a directive for each of us to avoid inadvertence or improper conduct.

It seems to me that each time we set into further legislation such requirements that cannot be totally and completely identified in every aspect, individuals who wish to by-pass integrity in holding public office and the necessary honesty — no amount of legislation will prevent such an individual from carrying on for their own benefit what actions and benefits they may wish to obtain, irrespective of such legislation. The hon. Member for Spirit River-Fairview made references to such incidents as the Nixon affair. If there was a desire to violate the moral code and laws of public service, no amount of legislation would have prevented that affair. Because that was the nature of the individuals who recognized full well and may have realized what they were doing, knowing that it was wrong. A few words on a piece of paper, Mr. Speaker, would not have altered that.

The matter of patronage: I wonder what the hon. member was trying to refer to, what kind of incidents. He skirted around and remained very general. But I think that all we have to do is recall the direction, the

line of questions that have been put forward — and I'm not critical of that — in this House from the time this Legislature convened, the statements made publicly on certain appointments and contracts recently, copies of which have been made available for public scrutiny. If it is these directions that have brought the hon. Member for Spirit River-Fairview to find need for legislation to curtail such patronage, how do you determine or define patronage? There are many different views and interpretations. You can look in the dictionary and find one. But a dozen people can read the interpretation given by a dictionary and apply their own understanding of it.

Let me give you my view of patronage as I see it. My view of patronage, Mr. Speaker, is that when you recognize or give honor or direction to an individual for some particular service that has been received without that individual, group, company, or whatever you may like, really being worthy of the recognition being given, without really being capable of fulfil-

ling the kind of position that might be offered. There may be criticisms of that, that I may be naive on that point. I could go farther on it. But that's fine. That demonstrates what I have just been saying: the individual point of view.

Mr. Speaker, I would like to go a little farther on this. Looking at the time, I'm not going to be able to conclude. Therefore, I would like to adjourn debate.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, tomorrow morning we will resume debate on the Speech from the Throne.

[At 5:30 p.m., on motion, the House adjourned to Friday at 10 a.m.]

