

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Monday, June 4, 1979 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **TABLING RETURNS AND REPORTS**

MR. COOKSON: Mr. Speaker, it's a pleasure to table the annual report of Alberta Environment for the year ended March 31, 1978.

MR. KOZIAK: Mr. Speaker, I have the honor to table two reports in the required number of copies. The first is the annual report for the Department of Consumer and Corporate Affairs for the fiscal year ended March 31, 1978. The second is the 1978 twenty-seventh annual report under The Public Contributions Act.

MR. HYNDMAN: Mr. Speaker, I have seven tablings required by various statutes: first, The Co-operative Marketing Associations and Rural Utilities Guarantee Act annual report for the year ended March 31, 1979; secondly, the Auditor's report on The Alberta Municipal Financing Corporation Act for the year ended December 31, 1978. The subsequent five reports, which I'll now read, in each case are tabled with a fiscal year-end of March 31, 1978: statement of remissions and writings off, statement of borrowings, report of pledged securities, the annual report of the Alberta Resources Railway, and the Auditor's report on special warrants.*

DR. HORNER: Mr. Speaker, I'd like to file with the House a copy of the correspondence between the affected companies and the government relative to the automatic welding process.

MR. DIACHUK: Mr. Speaker, I would like to table three copies of the sixty-first annual report of the Workers' Compensation Board of the province of Alberta for the year ended December 31, 1978, and three copies of the Workers' Compensation Board financial statement ended December 31, 1978, as required by legislation. Additional copies will be provided for the members as they are received from the printer.

MR. STEVENS: Mr. Speaker, I have the honor of tabling the Public Service Commissioner's annual report for 1978.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. SCHMIDT: Mr. Speaker, a few years ago Alberta Agriculture, in co-operation with Alberta Advanced Education and Manpower, established the green certificate farm training program. This program was designed to provide career-minded individuals with the opportunity to learn production and management

skills required for today's modern farm operations.

Mr. Speaker, it's my privilege today to introduce to you, and through you to the members of this Assembly, the graduates from the third level green certificate training program, with their wives. The graduates are also accompanied by their instructors and their wives. They are seated in the members gallery. I would ask them to rise and receive the welcome of this Assembly.

MR. COOKSON: Mr. Speaker, it's a pleasure this afternoon to introduce to you and to the members of the Assembly a group of 21 young grade 9 students from my constituency who have come to watch the Legislature in action. They are from the Canadian Union College at Lacombe. Their teacher is Jim Gascoyne. They're seated in the public gallery. I would ask that they rise and receive the warm welcome of the Assembly.

MR. CRAWFORD: Mr. Speaker, I take great pleasure in introducing some 60 grade 5 students from McKee elementary school in Edmonton Parkallen, accompanied today by their group leader Mr. Befus. The students are in both galleries, and most of them are visiting the Legislature for the very first time. I'd ask that they rise now and receive the welcome of the members.

MR. GOGO: Mr. Speaker, on behalf of my colleagues from Lethbridge East and myself, I would like to introduce to you and to members of the Assembly a lady from Lethbridge who leads the world-famous Anne Campbell Singers. They were in Edmonton on the weekend and, true to the Lethbridge tradition, won two first prizes. She is seated in the members gallery. I would ask Mrs. Campbell to stand and be welcomed by the Assembly.

MRS. OSTERMAN: Mr. Speaker, it gives me a great deal of pleasure to introduce to you, and through you to the members of this Assembly, 18 grade 7 and 8 students from Reed Ranch school, a country school in my constituency of Three Hills. They are accompanied by their teacher Mr. Gary Woodruff and a supervisor Brenda Colling. Maxine Haase is their bus driver. They're spending several days away from school. I know they're going to miss their classes, but they'll soon be back in school and at their studies again. Would you like to rise and receive the welcome of the Assembly.

MR. SCHMID: Mr. Speaker, it's once again a pleasure. I would like to introduce to you 28 students from one of Edmonton's finest schools, St. James. They are accompanied by their teacher Mr. M. Sniher. They are in the public gallery. I would ask them to rise to be recognized by the Assembly.

head: **ORAL QUESTION PERIOD****Oil Development**

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Energy and Natural Resources. It flows from the announcement made over the weekend that Alberta will be opening an energy office

*See page 275, right column, paragraph 11

— for lack of another term — in Ottawa. But my question to the minister primarily is: what is the status of the Alsands tar sands project?

MR. LEITCH: Mr. Speaker, at the moment we are waiting for a report from the Energy Resources Conservation Board in respect of the application by Alsands to build a third plant. Of course, while we're doing that we are continuing some discussions with the officers of Alsands in connection with the building of the plant.

MR. R. CLARK: Mr. Speaker, to the minister. What is the government's present expectation as to when the Energy Resources Conservation Board would be making available to the government — and to the public, as far as that goes — its judgment with regard to this project?

MR. LEITCH: Mr. Speaker, I thought I had commented on that in an earlier question period. In any event, I would hope it would be probably toward late fall.

MR. R. CLARK: Mr. Speaker, to the minister or to the Premier. What is the present policy of the government with regard to the possible Alsands plant and the plant at Cold Lake going ahead at the same time? From the standpoint of the economy of the province, is it desirable in the government's view to stagger the two or to have them both going on at the same time? What's the government's present thinking on that matter?

MR. LOUGHEED: Mr. Speaker, our general assessment on that important question is that we have the capacity to handle both projects at the same time, even a similar peak. But there are clear advantages to us if it doesn't occur quite that way. The way developments occur, if both projects are approved, the peaking may differ. They may be under construction at the same relative time frame, but the peaking in terms of activity may differ in the sense that the Cold Lake project may be somewhat longer in time before it peaks because of preliminary work that has to be done.

It is a matter the government's struggling with. Our best view at the moment is that we can handle peaking of both projects at the same time by the Alberta economy, but we'd prefer that they did not occur that way. On the other hand, we don't want to restrain the progress artificially, if they're approved.

MR. R. CLARK: Mr. Speaker, to the Minister of Energy and Natural Resources or to the Premier. Are there difficulties with the federal government — perhaps I should say the former federal government — in the discussions at the official level with regard to the Alsands project that the Alberta government has been waiting on before discussions on the project can move ahead a great deal further?

MR. LEITCH: Mr. Speaker, I wouldn't characterize the discussions as involving difficulties. As those discussions proceed we will know whether there are any serious difficulties.

MR. R. CLARK: Mr. Speaker, to the minister. Then basically what the Alberta government is now waiting for is not further clarification of the position of the

government of Canada but the report from the Energy Resources Conservation Board. What I want to establish very clearly is that it's a matter of the ERCB's report and no other factors outside Alberta that the government is waiting on at this particular time.

MR. LEITCH: Mr. Speaker, I would like to make this very clear. There have been discussions with the Alsands group and with others in connection with the project. But in my judgment, we would not be able to reach final decisions on any of the items involved in those discussions until we have received the report from the Energy Resources Conservation Board. Once that is received, I think we can move into what I would hope would be the final phase of discussions with all others involved in that project.

MR. R. CLARK: Mr. Speaker, just one further question to the minister. Once the report by the Energy Resources Conservation Board has been received — and if I might assume, Mr. Speaker, that the report would be favorable — is it the intention of the government that there be public hearings in the Fort McMurray or the Fort MacKay area prior to a final decision, similar to the hearings held in the Cold Lake-Grand Centre area?

MR. LEITCH: No, at this moment I wouldn't anticipate such hearings, Mr. Speaker. And I should make it clear, in connection with my last answer, that the discussions I was referring to would include discussions with the federal government regarding the tax regime for the Alsands project.*

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier, if I can. The hon. Premier indicated that both the Cold Lake and the Alsands projects could go ahead simultaneously, but it would be preferable if they peaked at separate times. In the evaluation of these two projects, what assessment has been given of the possibility of the Alcan pipeline's being a third major capital project that will have a very significant but, in the short term at least, an inflationary impact on the Alberta economy?

MR. LOUGHEED: Mr. Speaker, the best assessment we can make on that matter is that the Alcan project to a very large extent requires different trades and skills than are required in the area involving both the Alsands and the Cold Lake projects, so that it as well could occur at the same time. Again we would prefer that the peaking not be simultaneous.

Labor/Management Relations

MR. R. CLARK: Mr. Speaker, I would like to direct the second question to the Minister of Labour. It flows from a conference held at Jasper jointly sponsored by the Alberta government, the Alberta Federation of Labour, and the Alberta Chamber of Commerce. It was referred to as a conference on productivity. One of the major recommendations coming from that conference was the establishment of a labor/management secretariat that, to use the terms of the conference, would build bridges of understanding between labor and management.

Having regard for the fact that the minister is new in the portfolio, but also having regard for the fact that the minister was at the conference, my question is:

*See page 183, right column, paragraph 8

what is the government's plan now with regard to implementing that recommendation from the conference?

MR. YOUNG: Mr. Speaker, I think the hon. Leader of the Opposition has touched upon some of the work which is currently under way in the department and with industry and the trade unions. There is presently, and has been for a period of approximately two years, a council called the Construction Industry Industrial Relations Council, which my predecessor chaired and now I chair, and which has been meeting fairly effectively, I believe. In fact I'm very pleased with the progress it is making. It's an attempt to review some of the problems prevalent in the construction industry, not with the view to obtaining any short-term panaceas but to establish an understanding of different points of view, and in some cases to review whether there is a better approach than has been historically the case. In that connection we have reviewed two major construction projects and are reviewing a third.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. One of the basic parts of that recommendation at Jasper was that the Alberta government would fund this labor/management secretariat for a period of two years. At the end of two years it would become the responsibility of both labor and management to carry the responsibilities from there. I'd ask the minister if the government is now prepared to make funds available, if labor and management can come together and follow this recommendation forward.

MR. YOUNG: Mr. Speaker, as another portion of the work under way, there are two additional committees which I didn't mention in my first response to the hon. Leader of the Opposition. These committees have been initiated over the last several months, or three months at most. They are active. As they are new, and as I am new, we're trying not to move too quickly. But discussions have been held on my part with both trade unions and a number of representatives of various associations representing ownership interests, contractor interests in the construction industry.

When we have a better understanding among ourselves of how fast and how far we think we can go in this direction, I'd be prepared to make a decision on whether we should have a special secretariat which should have special funding. At the moment I'm not prepared to make that decision, because I think we are making remarkable progress in this area of some sensitivity. I don't want to move too quickly. I think all parties are to be commended on the efforts they've made to date.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. Mr. Minister, woe be it for me to accuse the minister of moving too rapidly. These recommendations were made in 1977. My question specifically to the minister is: what action has the government taken directly as a result of that specific recommendation at the conference which the minister attended?

MR. YOUNG: Mr. Speaker, the other action I can relate that might save me making a speech on the department's function, especially with respect to labor

relations, is that we have a special portion of the department now looking at labor/management consultation. There are, I'm not exactly certain, but I believe four staff members a portion of whose function, if not their main function, looks at labor/management consultation. This office has circulated a questionnaire through both the trade unions and the construction industry specifically, trying to identify the areas of greatest concern as perceived by the respective parties, and then has identified the area of highest consensus with respect to the greatest concerns, which turns out, Mr. Speaker, to be in the area of arbitration. We are now looking at what can be done to improve the arbitration capacity in the province.

MR. R. CLARK: Just one last question, Mr. Speaker, in a very simple form. Why has the government refused to move on a recommendation which was made at a conference that the government itself sponsored and which management, labor, and the government agreed at that conference was the direction to move in 1977? They asked the government for funds for two years to build bridges of understanding between management and labor. Why has the government refused to move on this recommendation which was made to the government in 1977?

MR. SPEAKER: The hon. leader's question is an open invitation to debate. But if the minister would like to answer nevertheless, perhaps under the circumstances he should have an opportunity to do so.

MR. YOUNG: Thank you, Mr. Speaker. Inasmuch as the government has not refused, I think it is very important that I do respond.

In fact the government has taken note of the recommendation that was made. It must be clearly understood that the people who attended that conference represent a wider spectrum than is represented in the construction industry. The government tried to respond in the area with the greatest apparent problems, which is and was the construction industry. Therefore the initiatives I have mentioned — the fact of the matter is that to date the Construction Industry Industrial Relations Council, and the other bodies as well, have been funded by the department wherever there have been expenses. The expenses have been minimal and the recording staff has been with the department.

X-Ray Equipment Inspection

DR. BUCK: Mr. Speaker, I would like to address my question to the Minister responsible for Workers' Health, Safety and Compensation. In light of the fact that an internal investigation has been carried on in the radiation health branch and there seems to be a shortage of staff and a backlog of inspection of X-ray equipment, can he indicate to the Assembly what efforts are being taken to get rid of the backlog of inspections and the staffing shortages in his department?

MR. DIACHUK: Mr. Speaker, the situation received a lot of publicity following the Ontario report. I'm advised that the reason for the backlog was the shortage of two staff members. Recruitment has been taking place. As I understand it, the selection is close, but this type of person just is not available in a great number.

Mr. Speaker, the backlog is in the area of installation of new equipment and new facilities. There has been no backlog in the inspection of X-ray equipment now in place in the industry. We are coping with it in the branch. In one of the vacancies to be filled, the person is continuing in that position until the replacement is found. This member of the staff is really moving into a higher position in the branch, and that is why there are two vacancies. I am advised that the situation is well in hand, and the industry and the medical profession also assure me that the standards are kept very high in this province.

DR. BUCK: Mr. Speaker, to the minister. In light of the fact that the minister said there are just two people short on staff, can the minister indicate how many people are in that department? Can the minister also indicate how often X-ray equipment should be inspected on a continuing basis?

MR. SPEAKER: It would appear that this is eminently qualified for the Order Paper.

DR. BUCK: Mr. Speaker, he knew how many they were short, so he must know how many they have. I mean, that's quite obvious.

MR. R. CLARK: He just tells us now what he doesn't know.

DR. BUCK: Mr. Speaker, can the minister indicate how often the department advises that X-ray equipment should be checked?

MR. DIACHUK: Mr. Speaker, as I indicated in response to the news media when they inquired about the time X-ray equipment should be inspected, we are attempting to inspect equipment as it is brought to attention that it needs inspection. I have indicated and have asked for the co-operation of the technicians, the X-ray operators, to notify the department at all times if they have a concern about certain equipment because of a malfunction or anything.

Mr. Speaker, there is no program in this province that X-ray equipment is inspected annually, semi-annually, but at all times the branch is available on any emergency. I repeat that the professional people, including your profession, hon. Member for Clover Bar, are quite satisfied with the inspection carried out by the branch.

DR. BUCK: To clarify a point, Mr. Speaker, did the minister say that his staff inspect X-ray equipment only when they are requested to? Is that what he said?

MR. DIACHUK: As a general practice, Mr. Speaker, this is what the branch does. They will inspect all equipment when it's installed; they inspect the facilities before the equipment is installed. After that, they depend on the trained staff, the technicians, the X-ray operators, to call on the branch when inspections of equipment in operation are required.

DR. BUCK: Mr. Speaker, as the minister has been studying his department, can he indicate that this policy will be changed so there will be regular inspections of X-ray equipment in this province?

MR. DIACHUK: Mr. Speaker, I have had no submissions that this is required. If the department is apprized of the fact that routine annual inspections are required, we will take it under advisement.

DR. BUCK: Mr. Speaker, can the minister indicate if he is running the department or the department is running him?

Mr. Speaker, the question is very serious. Is the department going to change the policy so there will be regular inspections of newly placed X-ray equipment and equipment already in place? As the minister and members of the medical profession well know, some of it is very, very old and, I know from personal experience, does not come up to standards.

MR. SPEAKER: The hon. member's question is really a repetition of what he asked before, and has been answered exactly as was asked.

MR. R. CLARK: The minister doesn't know, again.

MR. NOTLEY: Mr. Speaker, perhaps I could ask a supplementary question for clarification. As I recall, the minister indicated that all new equipment is inspected and that inspections take place where complaints are made by professional people. As a result of the department's being short two people, is there any backlog at this stage in terms of investigation of X-ray equipment in the province where professional people have indicated concern?

MR. DIACHUK: Mr. Speaker, there is no backlog on equipment now in use. As I hoped I had indicated earlier, the backlog is in the installation of new equipment.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. In light of the fact that his department does not monitor X-ray equipment until a complaint comes in, can the minister indicate what policy is in place and what standards the department has to ensure that the technicians operating the equipment are fully qualified?

MR. DIACHUK: Mr. Speaker, the technicians in Alberta are all qualified and accredited. The people in the branch of occupational health and safety assure me that there is no risk of operators who are not trained operating X-ray equipment.

MR. SPEAKER: The hon. Member for Lac La Biche-McMurray with a supplementary.

Oil Development (continued)

MR. WEISS: Thank you, Mr. Speaker. I too am concerned and pleased that the hon. Leader of the Opposition would show concern for the Alsands development, especially in view of the heavy oil sands. I wish to direct my question to the hon. Minister of Energy and Natural Resources.

DR. BUCK: A point of order, Mr. Speaker. Is the question a supplementary to the question just asked, or is there a new question?

MR. SPEAKER: It is apparently a supplementary question to some questions asked previously. There is nothing engraved in stone which says the member is not free to ask that question at this time.

MR. WEISS: Thank you, Mr. Speaker. In view of the concerns shown would the hon. minister please advise us what two important announcements were made recently at the First International Conference on the Future of Heavy Crude and Tar Sands that would perhaps affect this Assembly?

MR. LEITCH: I'd be pleased to do that, Mr. Speaker. The first of the two agreements the member is referring to is a technological exchange accord between the government of Alberta and the government of Venezuela that I anticipate will be signed this afternoon. I won't go into the details of that agreement, but it provides for certain research and exchange of technological information in respect of heavy oils and the oil sands. The second agreement was one between the government of Canada, the government of the United States, and the provinces of Alberta and Saskatchewan. Again it deals with participating in joint research and development activities in heavy oil and the oil sands.

These two agreements, Mr. Speaker, are really a furtherance of our policy to increase the very considerable effort now being expended in the Alberta Oil Sands Technology and Research Authority to develop new techniques and new information about the production of oil from the heavy oils and oil sands within the province of Alberta.

Finally, Mr. Speaker, I would simply say that these agreements and the conference referred to in the question are a very clear indication of the growing importance of those very immense and valuable resources within the province of Alberta.

Miners' Safety

MR. NOTLEY: Thank you, Mr. Speaker. I'd like to direct this question to the hon. Minister responsible for Workers' Health, Safety and Compensation. The question really relates to the resolution passed on April 27, 1978, concerning the principle of automatic assumption in the case of miners' black lung disease.

Mr. Speaker, is the minister in a position to advise the Assembly what considerations have prevented the government from presenting the necessary legislative and regulatory changes — to prevent this principle being enacted, in view of the resolution debated in the House more than a year ago?

MR. DIACHUK: Mr. Speaker, the occupational health and safety branch, in co-operation with the Workers' Compensation staff, is in the process of concluding some extensive studies. A Dr. Kaegi is about to complete her study. I'm advised that sometime in the next few months I will have a copy of that report and be able to sit down with my people to take a look at some programs with regard to what the hon. member has questioned.

This morning I met with two representatives of the United Mine Workers of America. They have raised some new concerns. I want to assure the House that that is one area I will be addressing myself to in the next year.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The minister indicated a study by Dr. Elizabeth Kaegi. In view of the fact that this resolution was debated and passed by the Legislature, is the minister in a position to assure the Legislative Assembly that the study will in fact be tabled in the first session after the minister receives it?

MR. DIACHUK: I can't give that assurance, Mr. Speaker, but I will be studying it with my department, and possibly it'll be part of an overall report that will be returned to the Legislature.

With regard to the concern the hon. member raises, the regulations applying to the standards in the coal mining industry are also presently under review. I hope to be able to present them to the Executive Council for ratification and approval in the near future.

MR. NOTLEY: A supplementary question to the hon. minister. In view of the resolution passed by the Assembly, is the minister in a position to advise the Legislature whether the government supports the principle of automatic assumption for miners who are victims of black lung disease? I'm not talking about the specifics but with respect to the general principle, in view of the resolution passed a year ago.

MR. DIACHUK: Mr. Speaker, the resolution was approved in this Assembly, the principle was acceptable to the government, and the Workers' Compensation Board, as the authority that looks after the payment of pensions for people afflicted with black lung disease, are also accepting it. As the minister responsible, I have no difficulty in feeling confident that the government endorses that principle.

However, the proof of the illness of a worker, whether the worker is suffering with black lung or some other disease, is where we have so many difficulties. That is what I'm hoping will come out of Dr. Kaegi's report and the findings that the occupational health and safety people are working on now.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister concerning dust standards in mines. What steps is the government proposing to take in drafting new regulations for dust in mines to ensure that Alberta standards at least equal American standards, which I believe are 2 milligrams per cubic metre of air compared to the present standard in Alberta of 6 milligrams, three times the exposure level of the United States?

MR. DIACHUK: Mr. Speaker, the question of which standard is acceptable is debatable. We in Alberta have always accepted the British standard, which was 8 milligrams. We went 2 milligrams below the British standard. I appreciate that the United States' standard is lower. That will also be considered when the regulations are finally presented for approval.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is it the intention of the minister to consult the province of British Columbia — where I believe the standards are 3 milligrams and can be reduced to 2, which would be comparable with the United States — before any recommendations are made for new regulations in this province?

MR. DIACHUK: Mr. Speaker, my people are consulting all authorities and particularly the workers and organizations — the trade union movement — who are so responsive to this question here in Alberta. They have all that information from British Columbia. They also have information from other countries where the standards are such that black lung disease is very low. We're looking at all of these.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. minister. Will it be the intention of government to enact legislation or regulations which would compel the installation of underground monitoring equipment, in addition to periodic inspection to determine the exposure level to dust in Alberta mines?

MR. DIACHUK: Mr. Speaker, that again is something that will be considered when the findings of the report, in consultation with the people of the occupational health and safety branch, are completed. I can't make any commitment today that this type of equipment will be legislated.

I'm always advised and always encourage the workers, where these kinds of standards are not met, to act responsibly in the situation or the case they're working under. The gentlemen who were in my office this morning, Mr. Speaker, themselves indicated that so often workers in the coal mine will overlook the fact that the equipment to keep the dust down might be malfunctioning, but they carry on and just don't go to the trouble of repairing the equipment themselves. Now I hope that workers accept the responsibility that when equipment malfunctions underground they don't continue to work in that condition. The Occupational Health and Safety Act provides that they don't have to work under difficult conditions.

Teachers' Contract — Vermilion River

MR. LYSONS: Mr. Speaker, I'd like to direct my question to the Minister of Labour. It's as a result of a possible teachers' strike in the county of Vermilion River. If the minister is aware of this, can he report the state of...

MR. YOUNG: Mr. Speaker, I should first say that the hon. Member for Vermilion-Viking has brought to my attention this matter of the difficulty and the breakdown in negotiations last week. Today I can report that we still have had the strike deadline expressed. However, I am pleased to indicate that both parties have had a long relationship, which I think indicates that they have an appreciation of the responsibilities of each. They have a very deep commitment to education and have responded accordingly by agreeing to mediation. That is going on now, or will shortly be commencing. So I am hopeful that there will not be a strike in the county of Vermilion River.

ADC Loans

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture. With regard to the recently announced interest rate policy in the Agricultural Development Corporation, I wonder if the minister could indicate the objective of reviewing interest rates every

five years. Is it to keep interest rates for young farmers at the lowest possible rate over a long period of time?

MR. SCHMIDT: Mr. Speaker, at the present time policies are written at an interest rate fixed for the term period. When one extends borrowing in the agricultural industry into the area of 25 years — a fairly lengthy time to be tied to one particular interest rate — it was felt that, if the review were done every five years, if a break appeared in the interest rate, it should be taken into consideration for long-term money tied in the agricultural industry. That was the reason for the change.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Is the minister considering in his policy changes any type of long-term, low-interest, fixed rates, such as 6 per cent for beginning farmers or farmers who want to buy their father's farm, et cetera?

MR. SCHMIDT: Mr. Speaker, we have under review at the present time several policy changes that deal directly with the Agricultural Development Corporation. Of course they are of substance, rates, and length of terms. I might indicate that the lending institutions, in other words the chartered banks, within the last month seem to have taken a much longer view in regard to providing funding at a reasonable rate for a long term. So it's part of the total review system.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In considering applications before the Agricultural Development Corporation, is the minister considering a change in the net asset value an applicant can have to qualify for a loan from the ADC?

MR. SCHMIDT: Mr. Speaker, a review of a program through the Agricultural Development Corporation is a total review, and I would say, yes, we're reviewing every aspect of the program itself. To date, I can give you no indication as to the direction or what changes will be made, but they're certainly under consideration.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. In the five-year review, can the minister guarantee to the Legislature that, after the five-year review, interest rates that are secure at this point in time will not be higher than they are in the original application?

MR. SCHMIDT: Mr. Speaker, that's hardly a review. That's a written guarantee that establishes one rate. Every time you review, if it's lower it has been reviewed. If the interest rate has not changed, of course, I don't call that a review. So, no, I'm sorry, I can't give you that type of guarantee.

New Federal Government

MR. COOK: Mr. Speaker, I wonder if I might direct a question to the hon. Premier. Mr. Premier, has a telegram been considered to be sent to the new Prime Minister of Canada, the Rt. Hon. Joe Clark, and Alberta's two representatives in his cabinet, Steve Paproski and Don Mazankowski? If so, I think that kind of gesture would receive the warm support of the members of the Assembly.

MR. LOUGHEED: Mr. Speaker, I had intended to deal with that subject in the course of my remarks this afternoon, but I can certainly do it well. I know that in terms of best wishes in any event, all members of the Legislative Assembly, I would presume, would give their best wishes to the new Prime Minister and his cabinet. We wish them well in their difficult and onerous responsibilities as the federal government in Canada. [applause]

DR. PAPROSKI: A supplementary, Mr. Speaker. Further to that question and the congratulations to which I'm sure we all agree, may I extend a very special congratulations to my brother Steve, who is a member of that new cabinet.

Water Pollution

MR. ZAOZIRNY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Environment. My question relates to the matter of Bow River pollution.

In light of the hon. minister's remarks in the House last Friday, when he advised he is hopefully anticipating an interim report on the Bow River area this fall, could the minister advise the House whether or not it is then possible that, if this interim report confirms the serious situation of pollution in sections of the Bow, some action may in fact be taken at that time to try to remedy this situation, rather than having to wait until this final, overall study is completed some time in 1982 or '83?

MR. SPEAKER: The hon. member's question is strictly hypothetical. He's asking what the minister is likely to do in the event a certain report indicates certain conclusions. Perhaps the question could wait until the report is tabled or be phrased in regard to departmental policy.

MR. ZAOZIRNY: I would seek to rephrase that question, Mr. Speaker, if I could.

MR. R. CLARK: What contingency plans.

MR. ZAOZIRNY: Could the hon. minister advise the House as to departmental policy when it is in fact determined that a situation of serious water pollution is occurring?

MR. COOKSON: Mr. Speaker, perhaps I could say just briefly that we have a number of programs with regard to water quality; for example, the standards we set with regard to sewage disposal into water systems that require a very high standard of delivery. If we find that pollution is a serious problem — and I'd like to separate two areas of pollution: one is with regard to nutrients within a water body; the other is with regard to bacterial problems. Once we have determined this and are satisfied that it is a serious problem, we'll certainly endeavor to do our very best to curb the problem.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. minister. Is the minister prepared to change the priority of responsibility as to whoever is doing the study and have some immediate focus on the problem occurring in this river adjacent to Calgary

and downstream? Is the minister prepared to take immediate steps to do something?

MR. COOKSON: Mr. Speaker, I think it's been pointed out already that that type of questioning is really hypothetical. [interjections] Because, Mr. Speaker, it has not yet been established that we have a severe pollution problem. That will be established one way or the other in the circumstances of events.

MR. R. CLARK: Why does it take four years?

MR. COOKSON: We must establish that. So the hon. Member for Little Bow is in error in assuming that there is a pollution problem.

MR. R. SPEAKER: Mr. Speaker, on a point of order. The minister is making assumptions about my motives, and that's not fair.

MR. SPEAKER: There's no question of motives. The minister is drawing an assumption from the question. [interjections]

MR. R. SPEAKER: Mr. Speaker, as far as I'm concerned my question is very clear. Have you someone in Calgary inspecting the problem of pollution at the present time, as of today, in the Bow River?

MR. COOKSON: Mr. Speaker, I think that point has been raised in other questions. We have a very select group of people continually monitoring all the water systems in the province of Alberta, including the Bow, the Little Bow [laughter] — Bow, the Oldman, the North Saskatchewan, the South Saskatchewan, and onward. I might suggest, too, that if we can determine there is a really severe pollution problem, we'll take steps to try to solve it.

MR. ZAOZIRNY: Mr. Speaker, if I might get in a final supplementary on this matter. Notwithstanding the comments of the hon. Member for Little Bow, I'm now a little confused on this whole thing. I would ask the minister whether in fact a study is presently in progress of which there will be an interim report, hopefully in the fall, and which will deal with, amongst other things, the situation of the Bow River.

MR. COOKSON: Mr. Speaker, if we accept the "hopeful" part of it with regard to the interim report in the fall, yes.

MR. SPEAKER: We have time for a short question by the hon. Leader of the Opposition and a short answer.

MR. R. CLARK: Mr. Speaker, the question may not be so short. I'll hold it until tomorrow.

ORDERS OF THE DAY

MR. NOTLEY: Mr. Speaker, I rise on a point of personal privilege. On Friday last, June 1, the hon. Member for Vegreville spoke in the Legislative Assembly. While it's not usually my concern to be overly perturbed by statements other hon. members make, there was a suggestion in the speech by the hon.

member that in my judgment was a breach of privilege. On page 138 of *Hansard* the hon. member talks about the possibility of a strike at the Duvernay plant near Two Hills, suggesting that one of the candidates had counselled that a strike take place, and then makes the statement: "I think the apostle from Spirit River was there also and helping". He then goes on to say:

Mr. Speaker, I find it very difficult to visualize ... either a candidate or a leader of a political party would have the audacity to try to organize a strike with a big risk of having 45 to 50 individuals lose their livelihood just to gain a couple of votes.

Mr. Speaker, for the record, first of all I find it rather mind-boggling that any hon. member would suggest that in the course of a 28-day campaign, followed by the press, I would attempt to organize a strike. The practicalities of politics in Alberta being such, I find that a rather mind-boggling assertion. However, let me make it very clear for the hon. member and for members of this Legislature that at no time was I in Duvernay, at no time did I meet with the executive of the union, and at no time did I counsel a strike. I certainly counselled members to vote other than for the hon. member, but at no time was there any counselling that they should engage in a strike.

Mr. Speaker, that being the case, I would ask the hon. member to either clarify his remarks or, preferably, withdraw them.

MR. BATIUK: Mr. Speaker, on a point of order. I was speaking about a possible closure of the Two Hills Chemicals Company. Just about the day I did go there I was made aware, through a telephone call by one of the people who worked there, that there had been some organization for a strike. It was very close to a strike. One of the candidates from the Vegreville constituency was there. So I asked the former Minister of Business Development and Tourism whether he had any knowledge of the possibility of the plant going on strike, and he said there was. He told me the fate of the Two Hills chemical plant. It was operating for a few years without a dollar of profit. The only reason that plant was operating was to keep 45 to 50 people employed. They would have been left without anything. The Minister of Business Development and Tourism at that time told me that should that place close down because of a strike, it would never open again. That's why I made the trip to Two Hills. I spoke to some of the people — I couldn't get hold of all of them at the time — and just indicated to them how that plant is operating, and for their own benefit they should consider whether an additional dollar in their income was worth risking their jobs.

Now *Hansard* very clearly says, when I had mentioned the candidate from Vegreville — at one of our forums he very strongly said that the workers at the Two Hills chemical plant were threatened. It was quite indicative that they were threatened by me. In no way did I threaten anybody, because I had no authority to threaten them.

Furthermore, if you would look in *Hansard*, I said, "I think" that maybe even "the apostle from Spirit River was there ... helping". Now I'm just wondering whether the hon. member thought he was given such a complimentary word, but it didn't indicate it was him or anybody else. [laughter]

MR. NOTLEY: Mr. Speaker, on the point of privilege. Not that being referred to as "the apostle" concerns me. I've had many other statements made.

The thing that does disturb me is the very clear inference that in fact I was involved in an effort to counsel a strike. I think that is incorrect. Mr. Speaker, I refer you to the comments by the hon. member: "I find it ... difficult to visualize how either a candidate or a leader of a political party would have ...", and then he makes his statement. With great respect to the hon. member, he has made a statement in the House which implies something; there is an inference. I have risen in my place to say that there is absolutely no truth to it. It would seem to me good parliamentary procedure, becoming to the hon. member, to withdraw the statements. If he wishes he could even include withdrawing the statement about being an apostle, although he can leave that if he chooses. The thing that concerns me is the inference about counselling a strike, which in fact is simply not true.

MR. BATIUK: Mr. Speaker, on a point of order, I strongly said that I cannot visualize the audacity of any political party. I didn't say the New Democratic Party, the Social Credit, the Communist Party, or any other one. I still feel that way.

MR. R. CLARK: What about the Conservative Party?

MR. BATIUK: Even anybody from our own group, if he would go out and do a thing like that. I can't see that I said anything to offend the hon. member, unless he feels guilty that he was there, or something. I don't know.

MR. SPEAKER: Quite possibly the exchange between the two hon. members will be sufficient to dispose of the matter. If it is not, then I'll take it under consideration, but just point out in a preliminary way that what the hon. member is reported to have said concerning the hon. Member for Spirit River-Fairview refers to something which was done by him at a time when he was not a member of this Assembly. I would rather doubt that that might qualify as a question of privilege. But as I say, if the hon. member wishes to insist, I'll give the matter some further consideration and report back to the House.

MR. NOTLEY: Mr. Speaker, perhaps the point has been made. The hon. member's suggestions here are silly. That being the case, I think we can just let the matter rest there.

head: CONSIDERATION OF HIS HONOUR THE LIEUTENANT-GOVERNOR'S SPEECH

Moved by Mrs. Osterman:

That an humble address be presented to His Honour the Honourable the Lieutenant-Governor of Alberta as follows:

To His Honour the Honourable Ralph G. Steinhauer, Lieutenant-Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate June 1: Mr. Lougheed]

MR. LOUGHEED: Mr. Speaker, I am indeed honored to participate in this debate of the Speech from the Throne on the occasion of the first session of the 19th Alberta Legislature. At the outset let me join with the many other members of the Assembly, Mr. Speaker, in offering my personal congratulations to you on your election again as Speaker of our Legislative Assembly, and best wishes to His Honour the Lieutenant-Governor, who has served this province so very well indeed.

Mr. Speaker, the purpose of my rising on the Speech from the Throne today is to put on the record very briefly the interpretation of the government of its mandate received on March 14, 1979, and the responsibilities we face ahead; in short, how we see our mandate over the course of the next four years.

Before doing so, Mr. Speaker, I want to join with others in officially congratulating the 29 new members of this Legislative Assembly, who already in a brief period have shown a remarkable degree of capacity. A feeling for the human concerns and progressive social concerns of our province has been expressed by many of them in the first speeches they have presented to the Assembly. I think objective observers would fairly say that it is certainly an impressive new team of members who have come to join this Legislative Assembly and I'm sure, as the Speech from the Throne puts it, that the "traditions of service and integrity that have been the reputation of this Assembly over the decades" will continue.

Mr. Speaker, the issues in the recent provincial election campaign were based, in my judgment, on six issues which we put to the people of this province. When we issued a statement upon the issuance of the election writ on Wednesday, February 14, I stated that it had been precisely four years since the government sought a mandate, and that we felt it was "timely to determine if the Government had retained the confidence of the electorate". I felt it was "important for us to know [if] we have the support and confidence of Albertans as we approach the difficult decisions and challenges ahead". That was the way in which I presented it on that day.

In that statement calling the election, I went on to refer to six very important matters which, in our judgment, "would . . . be considered as significant by Albertans during the forthcoming campaign":

- (1) The overall performance record of the Progressive Conservative Government — its social, economic and resource policies and programs — as well as its financial management.
- (2) The concept of the Heritage Savings Trust Fund and its present and proposed policies of management.
- (3) The Government's recent announcements of new programs, together with its Party platform positions to be announced during the course of the campaign.
- (4) The Government's positions on strengthening the provinces in Confederation.
- (5) The evaluation of the different approaches proposed to sustain Alberta's current strong economy and climate for investment and new jobs
- (6) The need — now more than ever — for a

strong Alberta Government at this time in Alberta's development and Canada's evolution.

Those were the six points we presented by way of issues to the people of Alberta. I think it would be fair to say, Mr. Speaker, that they formed a theme both by me and by our campaign organization, by our candidates, as we travelled throughout this province and focused on these issues.

I think the result was clearly a vote of confidence in the strongest terms: 57 per cent of the popular vote, as we know, with representation — and this is important, I think, to an Assembly — by the government party from all regions of the province. Sometimes — as happened, I believe, in the '71 campaign — the situation can occur where the government party does not have representation in a particular region of the province. That of course causes some difficulty. But in this case the representation is widespread throughout the province. Voter turnout was above the average in the previous five provincial elections; a popular vote percentage for the government party, which twice now has exceeded the 30-year high of the Manning administration, twice by way of popular vote.

When you look at provincial elections in terms of mandates throughout Canada, Mr. Speaker, I think there's no other province with a popular vote support over 50 per cent. All of them are below, with the exception of one: New Brunswick, and they have only a two-seat margin. So, Mr. Speaker, I think it's fair to say that the decision of the people of Alberta on March 14 was certainly a clear-cut mandate.

What is that mandate? That's what I wish to deal with today in my remarks. I look at the mandate in terms of the six issues I mentioned, and I'll go through them one by one. First and foremost, Mr. Speaker, we put our record on the line and, as I said at the outset of the campaign, we were proud to do so. On every occasion I reviewed, sometimes pretty lengthily, the record we had over eight years of administration. By every other source of communication we could, we also tried to put the emphasis on what we had done by way of a performance record. We put emphasis on that point in terms of social programs and policies, economic programs and policies, and resource programs and policies. As far as financial management, Mr. Speaker, I'd interpret it fairly to say that on the record, and before the people of Alberta, was the restraint policy of this administration, which developed in the '74-79 period; as well as that, our wage and salary guidelines, which we established in the latter period of time for the public sector; and our position, which fairly enough is not agreed to by all, with regard to revenue sharing with municipalities, not to include either natural resource or income tax revenue sharing. That was the position we were clear about — unequivocal. So our record after being in office eight years, Mr. Speaker, was out front in every way. I think it's important to emphasize that after eight years it's very important that a government seek a renewed mandate based on its record of performance. And that vote of confidence was there.

Mr. Speaker, how do we interpret that? First of all I'd say we interpret it as a mandate to continue to sustain some of the very basic directions in social, economic, resource, and financial policy which we have developed over these eight years. But this is subject, and should be fairly subject, to important qualifications.

In the social area, I think it's incumbent upon us to continue to upgrade any weaknesses in our social programs as they are identified and, secondly, to adjust to changing conditions in a dynamic province, conditions that can arise simply out of a matter of population growth or other factors of growth as well.

In the economic and resource area, I suggest the mandate can be interpreted fairly to continue our basic thrusts as we face a multitude of major decisions. We've made a number in the past — I won't take the time to go over them — in the resource area. We're all familiar with the crucial decisions on royalties, on the Alberta petroleum marketing decision, on the Syncrude project, on the Alberta Energy Company, and many others; and in the economy, the strategy we've outlined to the people of Alberta and to this Legislature on a number of occasions.

I think our mandate is to respond in a contemporary way to new situations and to new opportunities as they develop. That is the very nature of debate that I'm sure will occur over this Assembly and will face the government in terms of its decisions in the oncoming period.

On financial management, again I believe it's fair to interpret that mandate as saying to us, yes, they agree that we have to continue with restraint in operating expenditures despite surplus funds, and that that's important for us to recognize in terms of the fact that we have — and we will be discussing this more in budget debate — in the year ending March 31, 1978, a provincial expenditure on a per-person basis in excess by far of any other provincial government. I think, too, it means we should fairly review our wage and salary guidelines in the public sector, but that the concept of guidelines is an acceptable one. We have rejected revenue sharing in the areas I've mentioned, but we have recognized the need for support for the municipal governments, as we did through the municipal debt reduction plan.

Mr. Speaker, I'm not suggesting that those who supported us on March 14 agree with every decision we have made; obviously that's not so. But I think it is an overall acceptance of the record of this administration over eight years. So that's the first item I present by way of an interpretation of this mandate.

The second one is very important, too: the concept of the Heritage Savings Trust Fund in its present and proposed policies of management. As the campaign progressed, Mr. Speaker, frankly I found a better understanding and acceptance of the fund than I anticipated. We circulated and will be circulating questions and answers to improve communication and awareness of the fund by Albertans. The Speech from the Throne makes reference to the need for improved communication in that area.

Mr. Speaker, I detected little concern about the legislation or the investment decisions being made by the Executive Council. On the other hand, I did detect some concern about the investment policies, and it's very interesting that they were of two points of view: on one hand, that we not disrupt the private sector in this province, which is working well, with the investments in the Heritage Savings Trust Fund; on the other hand, that we not be too cautious either in terms of our investment policy.

Therefore, Mr. Speaker, I think it's fair to interpret our mandate [as], to continue with the legislation for the Heritage Savings Trust Fund basically as is. We

welcome the review and comments and recommendations by the select committee. I think it's incumbent upon us to reassess constantly our investment policies of the Heritage Savings Trust Fund. It's really an unparalleled challenge, because it's so unique in parliamentary democracy. I suggest, and I put it to the Assembly on this occasion, that if we err, perhaps we should err on the side of caution. I'm sure that's a matter for ongoing debate.

I believe, though, that the real test of that response by the people on March 14 is that the people support our proceeding and maintaining the basic integrity of the Heritage Savings Trust Fund and particularly reject the views of those who would wish to squander it or constrain its growth. People realize the long-term significance of the Heritage Savings Trust Fund in terms of its impact upon the next generation. That is the second item of the mandate as we see it.

The third item we raised with the people was our recent announcements of new programs, together with programs presented during the campaign. I'd just like to list them in order of announcement: the urban transportation plan, the shift of the Opportunity Company and the Agricultural Development Corporation to the heritage fund, the heritage learning resources project, the municipal debt reduction plan, the new programs for the handicapped. These were all pre-election. During the campaign: the revolving land servicing fund, the family home purchase program, the extension of the home adaptation program, the Alberta pioneer repair program, the senior citizen renter assistance program, the senior citizen drop-in centre program, the Alberta small business corporate tax reduction program, the Alberta heritage foundation for medical research, and a five-year program for maintenance of resource roads in different parts of the province.

That was an exciting package, Mr. Speaker, and the public response was positive. As the Speech from the Throne indicates, it's our commitment that during the course of the spring and fall sittings of this first session, we will complete the implementation involved and will fulfil our commitments in that program. Mr. Speaker, I believe it's fair to say that these new programs, when put together in the way I have just done, show very clearly that this government is as enthusiastic, dynamic, and excited about its challenges and, in my judgment, as imaginative as we were when we came to office in September 1971, eight years ago. Certainly for my part I am, and I think the others are as well.

Mr. Speaker, the fourth matter we put to the people of Alberta is the government's position on strengthening the provinces in Confederation. Just prior to the election writ, the Alberta government was fully involved in a first ministers' conference on the constitution in Ottawa. I tried to have both days televised. On the second day we were successful, and it was there for the people of Canada and Alberta to observe. We stood essentially by the Alberta position paper, entitled *Harmony in Diversity*, that was debated in this Legislative Assembly. We are one of only two provinces who put our position before the legislative assemblies in that way, and [it] was debated here.

We basically followed the approach contained in that position paper, with some reasonable adjustments and modifications. I don't have *Hansard* in front of me right now, Mr. Speaker, but I think the position we

took last fall was that some things in Harmony in Diversity were essential to us; others were important; others we were prepared to adjust in terms of responding to them as we heard other argument; and one we changed. I thought it was important for me to report to the Assembly early in this session that we took a different position at the conference as a result of being persuaded by the views of others. We took a different position with regard to the Bill of Rights being incorporated within the constitution. I think that was the only significant change we made from the Harmony in Diversity position. We took it on the basis of hearing other points of view, and we felt perhaps there was merit in the position expressed by other first ministers and governments at that conference.

But we gave priority, Mr. Speaker, to those items I outlined at length on November 3, when I last spoke in the Legislative Assembly and when we reported to the Legislature after the first constitutional conference. We held strongly to those views. I believe we have the reputation, if you want to use that term, of being the province with the strongest provincial rights position in the country and, as we've said on a number of occasions, we make no apologies for that position. We took that position to the people of Alberta in the election, Mr. Speaker, and I believe the vote again indicated strong support for that position. We would interpret our mandate, I believe fairly, to continue with our position of strengthening the provinces in Confederation.

Mr. Speaker, the fifth item we raised with the people involved the evaluation of the different approaches proposed to sustain Alberta's current strong economy and climate for investment and new jobs. I will restrain from partisan comment, except to say that I believe I interpreted one party as basically having a view of the economy that we should get out of the Alberta Energy Company, get out of PWA, sell our interest in Syncrude, and revert to the drift of the '60s. I think another party wants to turn the clock back to an agrarian colonial society in this province, which perhaps is all very well in terms of the thought of quality of life, but I wonder what it means in terms of jobs for young people. Another party, as was their case continually, wanted to turn us into a socialist state. Well, all three were rejected soundly and unequivocally.

I have one obvious conclusion when I look at the mandate we received, Mr. Speaker, and that's a very important one. What do the working people of this province think? I think the working people of this province see a Progressive Conservative government as working in their interests. They see it for these reasons: they see new job opportunities. What does that mean to the working people of this province? It means chances for promotion. They also see new job opportunities as meaning jobs here for their children — not in Oshawa, here. I think that's important to the working people of this province. They see that new job opportunities are developing in this province in far greater number than in other parts of Canada.

I believe the working people of this province see that it's important to have a climate for risk investment, that it is the private sector that creates jobs. So they are interested in supporting a government that does not stifle or suffocate the doer and supports the large or small entrepreneur, because it means just that. If one looks at the results, it's obvious that in very large numbers the people of this province in all kinds of

occupations — whether they're union or non-union, in a large shop or a free-lance welder, whether they work on the farm and on the rigs at the same time — all across this province, in every corner of it, they, as working people of this province, support the Progressive Conservative government in presenting a record, an attitude, and an approach to the economy that they think deserves our support, and I think that's great.

Mr. Speaker, for that reason I believe we have [as] an important part of our mandate, to sustain a climate for investment here. That doesn't mean we shouldn't watch very carefully for abuses and profiteering. But on the other hand it means that wherever we can, we should do what we can to encourage a person, a small company, a proprietorship, or a large concern, depending on the circumstances, creating jobs and developing new economic activity.

Mr. Speaker, I think, too, it is a mandate for us to continue to be fair and impartial in creating a balance in labor/management relations in this province. It is also, I believe, a mandate that's incumbent upon us as a government not, in short, to be taking sides, not to be presenting a dogmatic or radical point of view, but to take the position that we've shown in terms of eight years of fair balance between labor and management relations. I think it's incumbent upon the members of this Assembly and the members of the government party to interpret the mandate in that sense.

Mr. Speaker, the last issue is "the need — now more than ever — for a strong Alberta Government at this time in Alberta's development and Canada's evolution". Certainly we have to recognize that Canada and Alberta are changing very, very rapidly: that there are new opportunities for growth, new pressures for services, and a new federalism developing in Canada; and that now more than ever Alberta does need a strong and determined Alberta government. We're prepared and have to continue to be prepared, in my judgment, Mr. Speaker, to be a bold government and to take some risk: to move like we did with the Alberta Energy Company and its share issue, to move like we did on Pacific Western Airlines, to move like we did with regard to the Syncrude project and many others, to take the position we presented to the people of Alberta with regard to a terminal at Prince Rupert. To take some bold, positive steps as a government. I think that is part of our mandate in terms of making sure we grasp those new opportunities.

Secondly, because it was a matter for debate in this House, Mr. Speaker, whether or not Alberta as a government was overly involved in international affairs; whether we should sit back and wait for the federal government, or whether we should be involved. We took the position that we were properly involved as a provincial government, working in liaison with the federal government, but taking some initiatives of our own in terms of international trade matters in particular, and we've responded with the reorganization of our government to reflect that. I think it's something that has been accepted by the people of Alberta, and so I think we fairly interpret the mandate in that direction as well.

Mr. Speaker, the next one is of course the new federalism which we have inevitably coming in Canada. There's no doubt in my mind that there's going to be a different federal system in the '80s, markedly different from the '70s and markedly different by far from the '60s. It reminds me of a time when I was sitting across

the way in opposition and put it pretty strongly, in terms of feeling and determination, that our judgment as a provincial government is that we were not a junior government. We abhorred, frankly, were embarrassed with the phraseology of junior government. In the '80s, I think we will be moving into a situation where there's no question that provinces will not be junior governments. What we will face in Canada — and it will have its complications and difficulties, but I believe we can work it out — will be true co-operative federalism, not a domination by the federal government. For that reason, I feel we will see a new federalism in Canada. Perhaps the recent events in Ottawa will alter some long-standing western grievances, and the chance, the opportunity at least, for some new approaches is there. But there's no panacea in these events, and we must be well aware, as I'm sure we are in this Assembly, of the nature of the realities in the federal House of Commons.

So, Mr. Speaker, there will be new opportunities, a new approach in terms of international affairs and a new federalism in Canada, which certainly emphasizes the other point we put to the people of this province, which was for a strong Alberta government at this particular time in our development.

Mr. Speaker, that mandate is there and with it come some very major responsibilities. I've referred to some of them. It puts on us, as it should, the pressure by the people of Alberta to meet the constant demand of continued effective performance at all levels of our activity here. We accept and welcome that challenge. That mandate puts upon us the responsibility, in our judgment, to move with the opportunities that develop as economic conditions change and to respond to social needs in the same way as our dynamic province alters, in my judgment, for the better: challenges in many ways that I would not today take the time to underline, but just to say to you, Mr. Speaker and Members of the Legislative Assembly, that I have in front of me on my desk a long list of decisions that need to be made over the course of the next couple of years. Some will be controversial and some will perhaps not be as controversial, but they need to be made. In my judgment, we have that challenge in front of us; we have the mandate to do it; so without any further talk from me, I say let's get on with the job and do it.

DR. C. ANDERSON: Mr. Speaker, it is a great privilege to rise and speak in this Assembly. I'd like to congratulate you on your appointment as Speaker of this Assembly.

I'd also like to congratulate our Lieutenant-Governor, Ralph Steinhauer, for the excellent job he has done during his tenure of office. As you know, the Lieutenant-Governor is from my constituency. He has been a very important example and a great inspiration to his people on the Saddle Lake Reserve. As he returns to his home at the end of this term, I am sure many hearts will be saddened at his departure from this position he has handled so humbly. I wish Lieutenant-Governor Ralph Steinhauer health and happiness in his retirement. I am sure he will put his fishing equipment to good use.

Mr. Speaker, I'd like to take the opportunity to congratulate my seat-mate from Three Hills on her fine moving speech, the seconder from Calgary Forest Lawn, and all my colleagues who have spoken so aptly before me.

Mr. Speaker, you've heard from many other members about their constituencies; now I'd like to tell you about the greatest of all, the St. Paul constituency.

With an area of 1,785 square miles, the constituency is the location of the only UFO landing pad. The constituency is also the area of the largest salt mine in western Canada, being situated at Lindbergh, Alberta. The constituency has the towns of St. Paul, Vilna, and Elk Point; and the hamlets of Spedden, Ashmont, Mallaig, St. Lina, Heinsburg, Lindbergh, and Tul-liby Lake. There are three Indian reservations: Frog Lake, Saddle Lake, and Goodfish Lake; and the Metis colony of Fishing Lake.

With a population of 14,705, it is blend of many ethnic backgrounds. Seven per cent of the population is native or Metis, 16 per cent is Ukrainian, and 17 per cent is French. It is a constituency which has already seen the harmony in diversity theme in play.

I am proud of the people of this great constituency, and I'd like to take this opportunity to thank them for their faith in me and their support in the March 14 election. I pledge to devote my time, energy, and talents to represent them well.

Mr. Speaker, the St. Paul constituency has a rich heritage. On the east side of our constituency we have the Metis colony of Fishing Lake, near the Frog Lake Reserve. It was in the Frog Lake area that the Frog Lake massacre occurred during the Louis Riel rebellion. The Metis people originated as the offspring of the white fur traders and native people. They served as middlemen in the fur trade, specializing in the transportation of goods and furs to the white men at Fort George and Buckingham House, on the North Saskatchewan River near Elk Point.

The Metis call themselves the first Canadians, stating that the Indians immigrated to Canada from Asia, and that the Metis were the first people to originate on Canadian soil. Father Lacombe created St. Paul des Metis, a half-breed colony, in 1896. The French Canadians immigrated to the area in 1909, the start of the multicultural area.

Mr. Speaker, our primary renewable resource is our people. The educational process is a refiner's fire of this resource. The programs announced in the throne speech are very welcome in our constituency. We look forward to the expansion of the learning disability fund and of the educational opportunity fund to include high school students. It is extremely important to assist these students, so that they have a sense of accomplishment and satisfaction to keep them in school and prevent the high drop-out rate.

[Mr. R. Speaker in the Chair]

We look forward to the heritage learning resource project, with its Canadian content in books, photographs, and films, to teach our children about their rich heritage, geography, and environment. We look forward to the implementation of the school building quality restoration program, with the anticipation that this program will replace the very old, inadequate classroom facilities in schools such as Mallaig and Heinsburg.

In our school district we are encountering difficulty with enrolments. The St. Paul regional school, a very well equipped high school with vocational training facilities, is experiencing a drop in enrolment. With a size geared to 600 students, we predict the enrolment

will drop below 400 students soon.

We appreciate the government's assistance with the large deficits we have had, but we look forward to establishing other uses for these school facilities to include perhaps Lakeland College and Athabasca University, in addition to our learning resources centre and the Barbara Ward Centre, presently housed in these facilities. These additions would increase the utilization and efficiency of the system, and hence decrease our deficit.

While the St. Paul regional school is experiencing decreasing enrolment, other areas are experiencing overcrowding. We also find that our industrial arts courses are being conducted with antiquated equipment in poorly designed classrooms. We would hope that more funding will be provided to remedy these inadequacies. We appreciate the commitment of Advanced Education and Manpower to continue to emphasize quality postsecondary education programs.

The emergency medical technician program is welcome news for our ambulance service. The apprenticeship and trades certificate program is providing a great number of skilled personnel for our labor force.

Mr. Speaker, we welcome the announcement that the temporary holding pattern on submissions for new hospital projects will be lifted June 1. Some of my constituency finds itself in dire need in relation to hospital facilities. The Vilna hospital, with its wood structure, is a real potential fire hazard. It has no isolation facilities and is sadly lacking in such simple amenities as hand-washing facilities. Something must be done to replace this structure. We are also in need of auxiliary hospital beds, and I would hope that St. Therese hospital in St. Paul will be placed on a high priority for expansion, with auxiliary beds and outpatient and diagnostic facilities.

The Alberta heritage foundation for medical research cannot help but improve the quality of medical care in our province. At the same time, it will help broaden our province's economic base by creating a new research industry.

The Alberta assured income plan for the handicapped, the aids to daily living program, and the home care program are eagerly awaited in our constituency. At the present time we have some of the best facilities in Alberta and Canada, with St. Paul's New Hope school for the retarded and the Habitat Enterprises Unlimited sheltered workshop. These new programs will ensure to handicapped people, lives that are happy, challenging, and free of want.

Mr. Speaker, agriculture is the prime industry in my constituency. The farming community welcomes the prospect of a new grain terminal at Prince Rupert, and commends the government for its foresight in purchasing the Canadian government inland elevators. The farmers commend the government for its initiative in promoting Alberta-grown food products.

However, the farming community does have some concerns. This year our constituency will be hit with rail closures from Lindbergh east to Heinsberg. This will cause increased hardship on our farmers who will have to haul their grain longer distances without assurance of room in the elevator at their destination. Increased utilization will require additional funding to upgrade the rapidly deteriorating road system in this region.

The farming community welcomes the expectation of continued record levels of exploration, drilling, and

geophysical activity, but it is apprehensive about surface rights and the surface rights appeal system. However, many farmers continue to be buoyed up by their off-farm income, created by the increased activity in the constituency.

The farming community is very dependent on grazing reserves, and they hope more of these reserves will be created in our constituency.

With the initiative of our provincial government in its rural gas program, our farming community is receiving some of the advantages of urban residents through the highly successful St. Paul Lakeland Co-op.

Mr. Speaker, the St. Paul constituency wishes to thank the government for the introduction of the \$500 per capita municipal debt reduction program. Whereas the county of St. Paul has just been through some difficult years, which required the appointment of a government controller and special funding, for the first time in many years our county will have a surplus. It will be able to purchase some badly needed road maintenance equipment, and at the same time create its own mini-heritage fund. Our towns, villages, and hamlets will also be left in a stable financial position, allowing residents a respite from escalating property taxes.

Mr. Speaker, my constituency welcomes the creation of a new ministry of Workers' Health, Safety and Compensation. We would hope that that ministry would look to include the farm work force under its jurisdiction. Farmer's lung and accidents take their toll in the farming community every year.

Mr. Speaker, the establishment of the minimum security correctional facility at St. Paul is a welcome example of our government's continued program of decentralization. This facility will create jobs and bring new families into our constituency, thus broadening the economic tax base.

My constituency welcomes the news of the development of new outdoor recreation opportunities. My constituency is badly in need of a provincial park on its eastern side: in the Ross, Laurier, and Whitney lakes area. This park would not only serve my community but would also serve my Lloydminster colleague's riding. My constituency also looks forward to the upgrading of Garner Lake Provincial Park on the west, and to the restoration of Fort George and Buckingham House. With these restorations and a development of a park in the eastern part of the constituency, the tourist trade in our area will receive a big shot in the arm.

Mr. Speaker, in closing I would again like to say what a great privilege it is to live in this province and to be in this Assembly to represent my constituency with its multicultural background. The native people of the Saddle Lake Reserve are having their second annual Saddle Lake intercultural days, June 29, 30, and July 1. The event is one of the biggest multicultural events in our province. Mr. Speaker, on behalf of the native people of Saddle Lake, I would like to invite you, and through you the members of this Assembly and residents of Alberta and Canada, to visit our constituency, and witness harmony in diversity.

MR. BORSTAD: Mr. Speaker, on behalf of the Grande Prairie constituents and myself, I would like to congratulate my colleagues who have spoken to date, especially the Member for Three Hills and the Member

for Calgary Forest Lawn for their outstanding presentations.

As we are aware, the Lieutenant-Governor will be retiring soon, after several years of dedicated service to the people of this province. I know my constituents, as well as all Albertans, would want to wish His Honour the Lieutenant-Governor and his family the best in the years ahead. Their unique contributions to the pages of Alberta's history are something we should all be proud of. It has been a personal privilege for me to have known His Honour.

Mr. Speaker, may I add my congratulations to those of my colleagues on your election to Speaker of this Assembly. It is a compliment to the constituents of Edmonton Meadowlark to have a man of your stature and ability serve them in this House.

I consider it a great privilege and an honor to serve my constituents in this Assembly, and I hope I will be able to make a useful contribution to the democratic process displayed by this government.

The priorities mentioned in the Speech from the Throne are high priorities for northern Alberta, as well as the constituency of Grande Prairie. Mr. Speaker, there has been vigorous economic growth in northern Alberta in recent years, due to oil and gas exploration and development, expansion of the forest industry, increase in the tourist industry, and an influx of a larger service industry. Although this rapid growth has been beneficial to most of northern Alberta, it has caused problems in some areas. The government, though, has been able to assist municipalities by such programs as The Alberta Property Tax Reduction Act, the unconditional municipal assistance grants, and the proposed new amendments and implementation of the municipal debt reduction program, which will provide significant benefit to the property owner and assist the municipalities in overcoming problems brought on by that rapid growth.

Oil and gas exploration and development have created problems in maintaining secondary roads in our constituency, because these roads were built as market roads and not to withstand the heavy loads being moved over them. Mr. Speaker, market roads are very important to the farming industry and, because of the vastness of northern Alberta, primary and secondary roads are of the utmost importance to the north. The major expenditures proposed in the throne speech for primary and secondary roads are a welcome announcement. Because of the growth and development of the area, we in northern Alberta have an urgent need for an improved road system.

Long before oil and gas were discovered, agriculture was the mainstay of our area and continues to support our economy in a fundamental way. Beef, coarse grains, rapeseed, fescue, honey, and many other products are shipped from Grande Prairie to other parts of the world. The proposed grain terminal at Prince Rupert will greatly assist in marketing our grains. With our exceptionally short growing season and frequent inclement weather, there is a need for an inland terminal where grain can be dried and conditioned for shipment by unit trains to tidewater.

A joint rail authority is vital to our area in order to develop rapid movement of our agricultural and forest products. We in the Grande Prairie constituency are fortunate to have extensive forests necessary to support a pulp and paper industry, plywood, and a lumber industry. These industries have created tremendous

growth in the population of Grande Prairie, increasing it by some 8,000 people in the last decade. Last year's census shows we had growth rate of 11 per cent. The new sawmill, to be built in conjunction with the Procter & Gamble mill, will create another 350 jobs when completed and [in] operation in the spring of 1980. Depending on the outcome of the development of the Berland River timber area, Grande Cache and Grande Prairie could benefit even more from our renewable resources.

With the rapid expansion of our population, housing starts have been at an all-time high. The costs of housing and servicing have been increasing very rapidly. Those programs announced will assist the lower- and middle-income buyer considerably.

Tourism also has had an impact on our region. With more leisure time and a buoyant economy, our parks and campsites are badly overcrowded. I am pleased to hear in the Speech from the Throne that there will be a start on Kakwa Provincial Park, and that there are plans to develop other recreational areas throughout the province. The Stamp Around Alberta program has been well received in our area and has made us all more familiar and conscious of our great province.

Mr. Speaker, we look forward with great anticipation to the 1980 Alberta Winter Games, to be held in Grande Prairie, where our senior citizens and handicapped persons alike will take part. I would like to commend the government on the new park alert program, which will attempt to reduce the wanton destruction and vandalism of our beautiful parks and recreational areas. Too much emphasis seems to be placed today on one's rights, and I think we forget all too often that we should have some responsibilities and obligations to our community and country. Nowhere else in the world do we have such freedom and privileges as we have and take for granted in this country.

I consider it a privilege to represent an area made up of about half urban and half rural residents, with our major urban centre of Grande Prairie, and several smaller centres which serve the farming community. Grande Prairie is a major educational, medical, supply, and distribution centre for the constituency and north-western Alberta. We are proud of our educational system, especially Grande Prairie Regional College, which serves a vast area. We are desperately in need, though, of student housing facilities to house the many students who register from all over the north as well as other parts of the world. The problem is manifested by the very low vacancy rate in Grande Prairie at present.

The towns, villages, and hamlets in the constituency are vibrant and aggressive communities. The town of Beaverlodge has become a supply centre for the Elmworth gas field, along with the experimental station, and the Canadian Forces station — and their population has increased considerably. Hythe, only 9 miles to the west of Beaverlodge, has developed a senior citizens' program to be commended. The community, on its own, has built and maintains a 75-bed senior citizens' lodge and several self-contained units. Again on their own, they are now attempting to build a 25-bed nursing home.

The rapeseed plant at Sexsmith has created considerable employment in our area. Sexsmith, as well as Clairmont, has grown substantially, with many residents commuting to Grande Prairie to work. Like

other parts of the province, subdivisions have sprung up throughout the constituency, revitalizing many of the smaller centres. This has placed hardships on some of the smaller centres in trying to supply the necessary services.

If the vigorous economic growth of the north continues, we will become a very important participant in the general economy of this province. The objectives of new economic development proposed in the Speech from the Throne, and encouragement of economic growth throughout the province, only enforce my convictions that the north will play a vital part in Alberta's future.

Thank you, Mr. Speaker.

[Mr. Speaker in the Chair]

MRS. LeMESSURIER: Mr. Speaker, it is with pleasure that I rise in the Assembly today for the first time. It is a privilege to participate in debate on the Speech from the Throne as the MLA for the constituency of Edmonton Centre. My congratulations to all MLAs on their election to this House; and, to the Member for Edmonton Meadowlark, my best wishes to you, sir, as you carry out your duties as Speaker of this Assembly.

I look forward to participating in the deliberations of this Assembly, Mr. Speaker. I much appreciate the confidence and trust the Premier has placed in me, during my first time as a member of the Assembly, in appointing me a member of the Executive Council. It is a privilege to represent the constituents of Edmonton Centre.

I must admit that having been nominated, no matter what happened after the election I hoped to be challenged in the duties assigned to me. My first challenge is a delightful one, Mr. Speaker. It is to offer my comments on the Speech from the Throne.

It is also an excellent occasion for me to pay tribute to a gentleman I've come to respect even more in my duties as a minister. At this time, Mr. Speaker, I would like to extend my very best wishes for the future to His Honour the Lieutenant-Governor and Mrs. Steinhauer. His Honour has very recently provided me with some excellent advice, and my thanks to him for his counsel.

Let me turn to my primary responsibilities at this time, representing the constituency of Edmonton Centre, to offer my comments on the Speech from the Throne. Having existed prior to redistribution, the constituency of Edmonton Centre is not new to this Assembly. There have been several boundary changes, and in the hope that hon. members can come to better understand the concerns of constituents in Edmonton Centre, I felt it would be appropriate today to describe this constituency.

The Edmonton Centre riding is relatively small when compared to others throughout this province, stretching 20 blocks from the east to the west, and from the North Saskatchewan River to 111 Avenue. Many significant landscape features are contained in Edmonton Centre. The Legislature is perhaps the most unique landmark. It also contains two of our larger hospitals, two senior citizens' homes, elementary schools, two high schools, the Canadian National Institute for the Blind, two centres operated by the Department of Social Services and Community Health — which are the Hilltop House, a facility for women in distress, and the Eric Cormack Centre, a facility for severely retarded, multihandicapped children and

young adults — high-rises, single, detached houses, rental and owned dwelling units, and buildings, Mr. Speaker; but people too. The 1978 enumeration contained over 16,000 names, about a 12 per cent increase from the '75 list.

The fact that the constituency is now geographically smaller was not consoling to me during the election period. It was certainly a challenge to canvass every door in the area. Given the physical and social diversity of this area, this was a necessary responsibility. Even with the very cold weather, my door-to-door canvassing really brought me closer, to the people of Edmonton Centre. They did not hesitate to let me know their thoughts, their problems, and their aspirations.

I was truly astonished by the diversity of people, Mr. Speaker: the senior citizens, the young and mobile, the single parents living downtown close to their work, and several handicapped Albertans. The constituency is diverse not only with respect to the people who live in it, but also to the transition which takes place between day and night. It reflects a part of the city at times overburdened with the forces of social change and redevelopment. What strikes me most of all, Mr. Speaker, is the diversity of the people, yet the absence of a large number of families with children. Although the constituency can differ from one block to the next, there is a community feeling and a serious, concern about people's homes.

I can understand the reasons young families with children want to move to the suburbs. But during my term of office I want to work toward helping people get the feeling of home in Edmonton Centre, a place to live for all families of different ages and sizes. I argue for that, Mr. Speaker, because Edmonton Centre must be more than just a collection of buildings. To be vibrant and alive, people must be and are individuals and families with very realistic social concerns.

I want now to share some of those concerns with members of this House. They are important to my constituency and to me. Single parents and working mothers, for example, have special needs and concerns. Good day care and drop-in centres are not optional for these groups, but are a basic need. Members of this Assembly who understand those matters know my determination that future legislation must more adequately meet the needs of those who require such services. We must be certain that the regulations of day care services ensure that the needs of children are adequately provided for during the absence of working parents.

Our elderly have special requirements too, Mr. Speaker. Our government provides a great deal of support in this respect, and there is evidence of that in the throne speech. But we must guard against the standard of care declining. We must continue to protect the older renter no longer able to work by continuing to provide rent supplements which relate fairly to increased rents, and to ensure that the elderly who rent are not forced out because their suites are turned into condominiums. Not everyone can or wants to buy an apartment, Mr. Speaker. A very special effort must be made to step up the standard of home care, so that older citizens can remain in their own residences with confidence, and not feel obliged to move into nursing care centres in order to secure health services.

You don't have to be a senior citizen to be worried about rents, Mr. Speaker. I believe that housing is one of the greatest problems for many people throughout

Alberta and in Canada. We must strive for more affordable housing and thus provide protection and peace of mind for those who cannot meet the pressure and demands of higher rents and mortgages.

Edmonton Centre needs these positive changes, Mr. Speaker. All members of this Assembly can help to ensure that the reforms sweeping Edmonton Centre are changes for the better. At present this is not always so. Redevelopment will occur in Edmonton Centre and in older neighborhoods in Alberta. But we must be certain it is redevelopment that will be a rebirth of such communities. Nobody wants a community with streets jammed with parked cars, or a place where people are frightened to go out at night, Mr. Speaker. Nor should we want a neighborhood where people are afraid to help somebody in trouble.

The concerns of the people in Edmonton Centre deal with economics too. We must do everything possible to dampen inflation. People dependent on fixed incomes and others with limited resources cannot afford to bear huge increases in the costs of food, clothing, and shelter. We can and must work together to resolve these problems.

The needs and concerns of Edmonton Centre tell me and my fellow colleagues what state of affairs people of Edmonton Centre would find desirable, Mr. Speaker. They tell us of their values. And of course our values are what culture is all about. As the Member for Edmonton Centre, I am given the critical task of understanding different values, understanding what people find desirable, and understanding how I might help. I have the responsibility to establish certain programs, Mr. Speaker, and to encourage others outside this government to establish their own.

This throne speech provides some important developments in these regards, Mr. Speaker. The senior citizens in Edmonton Centre, for example, do not consider the pioneer repair program as just a minor detail. Those Albertans in my constituency who want to make a contribution to society, although faced with a permanent handicap, certainly don't consider the assured income plan for the handicapped as trivial. Be they single parents or not, my constituents view the announcements in the throne speech relating to the education of children in Alberta, especially the learning disabled, as a step forward. My constituents view the municipal debt reduction program as providing better opportunities for our municipalities and, consequently, all Albertans. I'm also pleased to speak in favor of the Alberta international assistance program. From personal experience, Mr. Speaker, I can state that this program is a striking example of the way volunteers work with the Alberta government on a co-operative basis to provide needed assistance to third world countries.

All these initiatives in the throne speech are an important start for this session, Mr. Speaker, but I know this government does not intend to stop there. There are several unresolved issues that relate to people's values. These issues will involve the department of Culture because of what we do, and other departments because of what they do. Those unresolved issues make three things very clear to me, and I wish to share them with all members of this Assembly. First, it will be the responsibility of this government and all members of this Assembly to understand these issues and to deal with them honestly. That business is far more important than the business of how many members sit on

which side of the House. Second, Mr. Speaker, we must all deal with the important issues while we still can be of some help. It is little help when an obvious need has been left to drift, coming back to us as a first-class emergency. Third, we must serve notice to all people of Alberta that we realize the future of this great province is rooted in its economic and social development. In my very special responsibility in Culture, I accept the challenge willingly because I firmly believe that without culture, without a sense of history and what we are, there can be no sense of what we will or can be, only a degree as to what we must all become.

Mr. Speaker, I owe at least a full effort to the good ends of the people of Edmonton Centre and all Albertans. I am proud to serve them and this government. Yes, Mr. Speaker, difficult times will lie ahead. I know we can and must rely on the economic and social resources of this great province to see us through those times. Economic factors will be our blood. But blood is pumped by the heart, and in Alberta our heart is the people of Alberta, their cultural heritage, and cultural development in the future. The people, Mr. Speaker, are our number one resource. With the help of this Assembly, we'll make sure the job gets done.

MR. KNAACK: It's an honor and a privilege for me to address this Assembly for the first time as the MLA for Edmonton Whitemud. Mr. Speaker, I wish to extend my congratulations to you on your election as Speaker, and to indicate to you my appreciation for accepting the task of Speaker of this Assembly. Ten years ago, we contested a vigorously fought nomination. Today, we're both serving the people of Alberta. I consider it an honor to be serving as a colleague at this time.

I also wish to extend my thanks to His Honour the Lieutenant-Governor for the warmth and compassion he has brought to his office, and wish His Honour and his family success and good health in the future.

Mr. Speaker, Edmonton Whitemud is situated in the southwest corner of Edmonton, bordered by Highway 2 in the east and 45 Avenue in the north, except that Riverbend is included. The constituency is best known for the many right-wing political activists who reside there and who I have the privilege to represent. These include the Hon. Dick Johnston, Minister of Federal and Intergovernmental Affairs; the Hon. Mrs. Mary LeMessurier, Minister responsible for Culture; Don Getty, the highly respected former MLA for Edmonton Whitemud and former Minister of Energy and Natural Resources; Dr. Allan Warrack, formerly the Minister of Utilities and Telephones; Mr. Bill Yurko, formerly Minister of Housing and Public Works and now a federal Conservative MP; and, of course, myself.

Mr. Speaker, it is a constituency where the philosophy of private enterprise and private capitalism is strong. Unnecessary government interference in their lives is strongly resisted. I might add that this resistance is not always unwarranted. It is a constituency whose residents pride themselves on their ability to rely on themselves and to make a contribution to our province, either as businessmen or professionals in whatever their vocation.

Mr. Speaker, I would like to address three subjects today. The first concerns the merits of what I call the private enterprise private capitalistic system. The second concerns the matter of contributions Albertans are making to Canada — are we good Canadians? The third deals with the Supreme Court of Canada and the

manner of the appointment of the justices of the court.

My faith and support in what I call the private enterprise private capitalistic system is based on my faith and confidence in the individual, my faith in his ability to grow, to rise to a challenge. Before detailing my view, I wish to point out that I intentionally did not refer to it as a free-enterprise or laissez-faire system. Free-enterprise or laissez-faire economics is usually associated with little or no government interference in the economy. This is unreasonable and illogical. Social programs, such as unemployment insurance to support the unemployable and genuine unemployed at an acceptable level of comfort, are essential. Social welfare is necessary. Who would argue against such programs as starter home ownership or the pioneer home repair program, under Alberta's circumstances? Mr. Speaker, not only do I accept the social programs outlined in the throne speech, I strongly endorse them. However, Mr. Speaker, Alberta's situation is unique, and I shall refer to this point again later.

Private enterprise private capitalism is not an appropriate economic system for every part of the world — certainly not for the underdeveloped countries — but it is in a country as highly developed as Canada, and particularly in a province such as Alberta. Private enterprise allows the individual to maximize his potential. Alberta's people are well educated, highly motivated, and capable. Our many successful citizens and entrepreneurs are testimony to this fact. However, Mr. Speaker, it has taken a private enterprise setting to allow our citizens to develop into the type of competent individuals they are today.

Mr. Speaker, I suggest that in order for a person to reach his potential, he must have the freedom to succeed and to fail. He must have the opportunity to feel the exhilaration of success and the disappointment of failure. He must have the opportunity to realize that his best today, although not good enough today, can be exceeded tomorrow, and failure turned to success. Others in this Assembly have referred to it as a pioneering spirit, a spirit of courage and adventure that emphasizes self-reliance and not reliance on government.

Mr. Speaker, a government should not take away the opportunity to fail and to experience suffering and disappointment, since by doing so it also takes away the opportunity to grow and to succeed in an even more significant manner tomorrow. Socialism or too much well-intentioned government paternalism is detrimental in the long run, since it undermines human potential. This point I raise is really aside from the fact that private enterprise is generally known to be more efficient than government when it comes to the production of goods.

Mr. Speaker, the second aspect and equally essential component of our economy is what I refer to as private capitalism. It is only through retained earnings, either by a corporation or by individuals, that an economy can grow. The alternative to private capitalism is state capitalism. The Russian system is an example of the latter. If the government sector becomes too large in relation to the private sector or, putting it another way, if government taxation becomes too burdensome either because of excessive growth in government services or excessive transfer of payments, the private sector loses its ability to generate sufficient capital to stay technologically up to date and to expand at a suffi-

ciently rapid rate to maintain reasonable full employment.

Canadian business and Canadian individuals are the highest taxed in the world. Forty-six per cent of every dollar earned in 1976 was taken by all forms of government in Canada as taxation. Ladies and gentlemen, almost 50 per cent out of every dollar earned was taxed at some point. In my view, taxation by the federal government at present is too high, as is taxation in provinces other than Alberta. And I've referred to Alberta's uniqueness before. Mr. Speaker, in 1926 total taxation by all forms of government was 17.5 per cent, as a proportion of national income; in 1939, 23.6 per cent; in 1959, 32 per cent; and in 1976, 46 per cent. I might point out that except for 1976, the figures are estimates.

Alberta is unique. Due to the energy royalty revenue, Alberta business and individuals are the lowest taxed in Canada, while at the same time this government has the ability to expand desirable social programs. We are certainly fortunate in 1979. Mr. Speaker, I wish to applaud the Premier and the former administrations in instituting the voluntary restraint guidelines for government expenditure and the tax reduction for small business from 11 to 5 per cent announced in the throne speech. The voluntary restraint program and the present tax reduction program will add to the capital available in the private sector to permit it to take advantage of the economic opportunities in Alberta. Considering inflation is Canada's number one problem, I wish to say again that the restraint program, although unpopular with some pressure groups, was eminently responsible, especially since it would have been easy to succumb to pressure, considering that Alberta's budget is in a surplus position.

Mr. Speaker, I also applaud the government for caution in establishing new programs that would require unreasonably high expenditure, and therefore taxation, when our royalty revenues decline, and for creation of the Heritage Savings Trust Fund. Although I have more to say about the Heritage Savings Trust Fund, I will reserve those comments for the budget debate. However, I do caution the Assembly that our fortunate situation in 1979 will not last indefinitely. When it ends, we must be careful not to be left in a position to require an unreasonably high rate of taxation to finance the socially desirable programs so easily affordable now.

Mr. Speaker, the next topic I wish to address is the question of whether or not Albertans are good Canadians. The quick answer is: for sure. During the campaign, support for the position of control and retention of ownership of our resources was well accepted, but I found that constituents by and large did not fully appreciate the significant contribution Albertans have been making and are making to Canada today. Alberta produces about 80 per cent of Canada's oil and gas. At present, Alberta sells conventional oil at approximately \$4.50 below world price. As far as I know, no other product in Canada is sold at less than world price. Lumber from British Columbia, copper from Manitoba, iron ore from Quebec, nickel from Ontario, are all sold to Albertans and to the rest of Canadians at world prices or higher. Our cars and homes would all be less expensive if world prices were not charged for these products. Canadian industry would be more competitive if world prices were not charged for these raw materials. Yet those are the

arguments made to keep the price of Alberta oil down.

Mr. Speaker, the total benefit to the rest of Canada during the period when domestic oil prices were lower than international prices amounts to \$10.5 billion. This benefit is equal to approximately \$20,000 for every family of four in Alberta. As well, it should be noted that the benefits accruing to the rest of Canada in dollar terms exceed the actual royalty revenue received by the Alberta government from the ownership of this depleting resource.

The next point I wish to discuss in this respect is the relationship of the tariff and the national freight rate structure. A lot has been said about the tariff and the national freight rate system, and so it should have been. It certainly discriminates very negatively against western Canada. Normally a tariff wall is neutral. Any part of a country can usually develop behind a protective tariff in relation to its comparative advantage, as we refer to it in economics. The national transportation system, which both charges higher rates per cost-mile in western Canada and discriminates to the extent where it almost prevents the development of secondary industry in western Canada, assures that manufacturing can only continue to occur in Ontario, unless freight rates are changed. What's important here is that it's a locked-in position. You have the tariff structure. Normally every part of the country, according to its comparative advantage, can develop secondary manufacturing or anything else spontaneously in a positive economic climate. Because of the way the transportation system is, it assures that spontaneous development according to our comparative advantage here is not possible.

Mr. Speaker, most of us are aware of the Petrosar situation. Notwithstanding strong representation by Alberta, the first world-scale petrochemical development did not occur in Alberta. The federal government-supported project went into Sarnia. Alberta's petrochemical industry developed in spite of the federal government and central Canada, not with their co-operation.

The last point with respect to this subject: we pay approximately, on average, 10 per cent more for all imported products or import-competing products from eastern Canada. Alberta sells all its products to eastern Canada, perhaps with the exception of wheat for domestic consumption, at world prices or less. I have mentioned the benefit of \$10.5 billion. Mr. Speaker, anyone with a reasonable understanding of the facts has to concede that Albertans are contributing to Confederation as much as or more than any other province in Canada. I suggest we have a strong case yet to make that Alberta is not treated equally or fairly in Confederation. We do not need to apologize.

The third point, Mr. Speaker, concerns the Supreme Court of Canada and the nature of its appointments. The concern in particular is the appointment as Chief Justice of Canada of Mr. Justice Laskin, who was appointed in early 1974. He is a very highly regarded scholar of the highest integrity, and I'm not imputing any motives to this highly regarded gentleman. However, he was appointed against precedent. Mr. Justice Martland, an Albertan, should have been appointed, and it is well known that at the time of appointment Mr. Justice Laskin had been the most vocal and outspoken critic of the interpretation given to the peace, order, and good government clause of the

British North American Act by the eminent former Chief Justice of Canada, Mr. Justice Duff, and by Viscount Haldane, Lord Chief Justice of the British Privy Council in Britain, who sat during the 1920s. Mr. Justice Laskin was known to be a strong centralist in relation to the interpretation of both the peace, order, and good government clause and the trade and commerce clause.

In my view, the anti-inflation decision which came down July 12, 1976, testing the ability of the federal anti-inflation legislation, changed the law with respect to that clause. Even though Mr. Justice Laskin's view was in the minority, although it sounded similar to past reasoning, the actual decision has, in my view, amended the constitution to a much more centralist document without going through the formal procedure. This has been used by the federal government as an additional negotiating club, knowing that the tendency of the Supreme Court of Canada is now to uphold federal legislation that it may not have upheld in a former court.

Mr. Speaker, I humbly suggest to the Minister of Federal and Intergovernmental Affairs that an early approach be made to the new federal government for the purpose of recommending that any new appointments to the Supreme Court of Canada have prior discussion with the provinces.

Mr. Speaker, as well, I applaud the document *Harmony in Diversity* and suggest, when constitutional discussions are reopened, that the idea of a separate constitutional court be strongly advanced.

Mr. Speaker, I wish to finish on a positive note. In my view the throne speech is an excellent balance between social and economic programs. It will provide excellent opportunities for all walks of life in Alberta. To me, Alberta has always been an exciting yet warm and friendly place to call home. It has become even more exciting and challenging. In my view it is one of the finest places in the world to live and to call home. Not only are there great economic opportunities, there are also opportunities for a wholesome and happy family life style. At present it's still a place where people dare to dream and have the courage to pursue those dreams.

Mr. Speaker, it is my privilege as a member of this Assembly, as the Conservative MLA for Edmonton Whitemud, to do my best to assure that Alberta will continue to remain such an excellent place to call home.

MR. FJORDBOTTEN: Mr. Speaker, I also wish to congratulate you, on your election to this office. Getting to know you, I can understand the respect and honor that all hold for you.

As I stand here today, I never felt more humble. The history and tradition of this House, together with the considerable talent and dedication of the members sent here by the people of Alberta, make me stand in awe. The democratic process is a wonderful thing, Mr. Speaker. I'd like to quote Mark Twain, who said: democracy is like a raft; it never sinks, but your feet are always wet. I suppose that's one of the reasons at this moment why my feet feel a little cold.

But I don't stand here alone today, Mr. Speaker. The thousands from the Macleod constituency stand here beside me, cheering me on. I'd like to quote Mark Twain again, because I feel I'd like to do right by the people of Macleod, and he said it so well when he said:

always do right; it will gratify some of the people and astonish the rest.

I feel very ordinary. If I may quote Jimmy Carter, who said better than I can what I feel at this moment: I've never claimed to be wise or better than any other person; I think my greatest strength lies in the fact that I'm an ordinary man, just like all of you — one who has worked, one who has learned, one who has loved his family, one who has made mistakes and tried to correct them without always being successful, just like everyone else.

Mr. Speaker, to really deal with the human problems, we must deal with the heart. For it has been said: to handle yourself, use your head; to handle others, use your heart. If you can't cry a little in politics, the only other thing you will have is hate, and I'm sure you will all agree there's too much hate in the world today. The goal of good government should be the welfare and happiness of the people over whose lives it rules. Mr. Speaker, you can't do that without heart.

Government laws should never violate natural laws or natural rights. Everyone has a right to pursue his own happiness, to retain ownership over the fruits of his labor, as long as he doesn't interfere with the rights and privileges of others. To have good laws, we need good politicians. I challenge myself on a few basic rules I feel are important to being a representative. I feel a good legislator must realize who he is, what he is, what he's capable of, what he's not capable of; must have wisdom and humor; know the hard work ethic; really like people; have a sixth sense in dealing with people or situations; have good general knowledge; enjoy reading a variety of books; know who he is and be honest with others; reliable and considered so by his constituents; truly believe in representative democracy, that people elect representatives to act as their agents in making and enforcing laws; must have a willingness to change ideas, proposals, and policies to meet current problems; represent with the strength of his views, that are carefully weighed in the balance of everything. Finally, I think he has not to be afraid to get into a little hot water once in a while, because I think hot water keeps you clean.

Mr. Speaker, we all feel we have a sleeping giant within us, and we're deathly afraid to wake it up for fear it will turn out to be a mouse. I said before that I don't stand here alone today. Aside from the thousands in the Macleod constituency who stand here with me, cheering me on, are the MLAs who stood here before me, all of whom woke up the sleeping giant inside and indeed found a giant.

Over the years, the boundaries have been drawn and redrawn a few times in the Macleod constituency. What now makes up the constituency of Macleod took in the Nanton, Nanton-Claresholm, and the Macleod constituencies. I'd like to read to you the names of the MLAs who served there: J.M. Glendenning, J. Weir, D.H. Galbraith, Gordon B. Walker, H.O. Haslam, M. McKenzie, William Moffatt, Thomas C. Milnes, Colin Genge, Robert Patterson, George Skelding, William Shield, James Hartley, Leighton Buckwell, and Dr. John Walker.

I omitted one, deliberately. I omitted the first woman ever elected to a legislative body in Canada; in fact, the first woman ever elected to a legislative assembly in the British Empire. She was one of five women to take the "person" case to the Privy Council in England, which resulted in a judgment that women were entitled to be

called to the Senate. Really, until that time women weren't classed as persons. She came from the Macleod constituency, and her picture hangs in this Legislature Building. Her name: Louise C. McKinney.

As I talk about the Macleod constituency, I am very much aware that our relatively narrow constituency concern must be weighed by a provincial concern, indeed by national and international concern and perspective. Our future is interwoven with the world community. The Macleod constituency, as well as all of Alberta, is reliant on world markets. The commendable efforts by this government in transportation, marketing, and research — in particular I look at Prince Rupert and the inland government elevators and processing plants — are all vitally important to the Macleod constituency, because we have such a broad agricultural base. We have dryland farming, irrigation, ranching, intensive livestock, dairying, and many more. So a high emphasis on agriculture is vitally important.

The viability of small business within our community is tied to agriculture. If the producer does well, all around him do well, because small business supplies the necessary inputs to agriculture and processes or markets the products. That is good reason to continue a high emphasis on agriculture. Mr. Speaker, I'm pleased that the Speech from the Throne addressed the issue in two of the six priorities.

I'd be very much amiss if I didn't say something about irrigation in the Macleod constituency, because we have a lot of it. Many more thousands of acres could be put under irrigation, but to do this we need to develop carefully and protect our fresh water supply. We can't compartmentalize. We can't put fresh water over here, irrigation over here, oil and gas over here, and agriculture over there. I'm pleased to be part of a government that looks at the broad picture. As irrigation continues to develop, as well it will, I intend to rise many times to speak on that issue.

Mr. Speaker, any and indeed all efforts on behalf of senior citizens should never have a low priority. This government certainly has made it a high priority. Many exciting programs are now under way in this province. I'd like to mention one now. A week ago, we opened Parkside Manor in Claresholm. On June 15 there'll be Piyami Lodge in Picture Butte. They're two senior citizens' self-contained homes. We have small units going into Nobleford, Fort Macleod, Stavely, and Granum. This is an exciting program, and the people in the Macleod constituency are excited about it.

We have one area where we could use a little help. We need a nursing home for Claresholm, because it serves such a broad area. I look forward to working to see it become a reality.

In this Year of the Child, I think particularly about families. Events are moving so fast in our world today that we've become a nation of spectators, too frightened to move. Any time that happens, our priorities get all mixed up. We must always see that we keep our priorities straight. I'm not ashamed of mine; I'd like to share them with you. Mine are: God first, my family second, and my job third. I feel if we could all do this in the Year of the Child, this year could and can be a success.

As I say a few words about the communities that make up the Macleod constituency, I hope we can keep our young people in our communities. Each of our communities needs small business, light industry to

locate and employ young people so they have a reason to stay. Many people have talked to me about that very problem. It is a problem, but one we can resolve.

The Macleod constituency borders on Lethbridge West, Little Bow, Pincher Creek-Crowsnest, and Highwood. The communities of Fort Macleod, Clareholm, Picture Butte, Coalhurst, Nobleford, Granum, Stavelly, Monarch, Parkland, Brocket, Diamond City, and Shaughnessy all make up part of the Macleod constituency, as well as the Peigan reserve with its progressive chief, Nelson Small Legs. Each community is unique and exciting and has a great potential for growth if we extend a helping hand. We're in need of highway improvement around the constituency. The four-laning of a highway from Nanton through to Lethbridge and Cardston should be at the top of the list. I look forward to the challenges of seeing the start of those projects.

Mr. Speaker, my feet are beginning to warm up, and I now take my seat in this House and thank the people in the progressive constituency of Macleod for sending me here.

MR. HIEBERT: Mr. Speaker and members of the Assembly, I welcome this opportunity to partake in the throne speech debate as the representative for the constituency of Edmonton Gold Bar. My cursory observations [in] the past few days have certainly given me respect for the deep traditions and decorum of this Assembly. The presence of the Lieutenant-Governor, and your grasp of the parliamentary process, Mr. Speaker, are exemplary. The presentations by my new colleagues are also worthy of commendation.

Furthermore, Mr. Speaker, over the past few days of this sitting I have reflected upon the term "maiden speeches" from the new members. Many have eloquently described their experience by quoting from parliamentary references, Mark Twain, poetry, or in some cases trying to get their constituency referred to as a riding. I'm going to gamble today by comparing maiden speeches to a maiden horse race. So for the uninformed, may I set the scenario.

The entrants were all first-time starters, except for a few classy interludes. There was no past form to go on. A few of the fans are quibbling as to the outcome. There's a feeling of anticipation. The parade to the post has created a little excitement, even like Buck, and there was a commotion or a stir. There were a few false starts due to a question of order or priority. The field was primarily colts. There was a reluctance to get into the starting gate, but at post time the gate opened up and the filly from the number one slot broke out on top and has continued to set the pace. [laughter] As we go down the backstretch the field has closed up and, I would suggest, stay in your seats, because it could be a photo finish.

Mr. Speaker, as the representative of Edmonton Gold Bar, I would like your indulgence in describing the history of this constituency, because I think it characterizes the thrust and the direction of this province, and the evolution of it is noteworthy.

I would like to begin by giving an overview of this area, situated on the east end of the city, south of the North Saskatchewan River, and adjacent to Strathcona county, as viewed by a visitor from Oxford county, England, and reported in *The Alberta Homestead* of 1909:

I spent such a delightful Sunday afternoon . .

at Mr. Warner's beautiful farm, "Gold Bar", on the Clover Bar road. The Bar is famous throughout Alberta for the richness of its soil, its well-kept farms and the . . . [property] of its owners. . . .

"Gold Bar" is away and beyond the finest farm I have seen in . . . Alberta. The property consists of between eight and nine hundred acres, and besides being noted for the crop it produces . . . it is famed . . . for its prize-winning stock. . . .

"Gold Bar" ten years ago was [just] bush. Today it waves a horn of plenty to the surrounding land. Where thick willow under-brush raised a healthy crop of mosquitoes a short decade ago now toss to and fro great fields of heavy-headed oats and wheat and barley. . . .

. . . And yet jealous critics inform incoming settlers that we can't grow anything in Northern Alberta and Edmonton district but hail and frost and snow.

Next time any man advances these erroneous ideas I advise you to take him to "Gold Bar" farm where one of the most enthusiastic . . . farmers never grows weary of singing the praises of the climate and soil of Alberta, the Sunny.

Mr. Speaker, it would be most enlightening to ask this man back for his observations, if he were living today. The only memorabilia that remain would be the Gold Bar farmhouse, which has been elegantly preserved on its original landscape and now is surrounded by an attractive residential area.

But, Mr. Speaker, a very important happening occurred in the province when Leduc No. 1 came into being. The impact on this particular area has been profound. Maybe the area should have been named "black gold", because within a stone's throw of this very home we have the emergence of what is now known as Refinery Row.

While the refineries are located in Strathcona county, which is adjacent to the constituency of Gold Bar, the job opportunities and the economic future generated an influx of people to the city of Edmonton. And what emerged in the '50s and '60s was a compact, single-dwelling residential area that usurped prime agricultural land. Today many constituents are very proud of their area because, first, it is a relatively new area, primarily of affordable single-dwelling homes. It is well endowed with excellent schools, churches, recreational facilities, community league centres, and shopping areas. It is an area very conducive to raising a family because of the facilities and, most important, because of the active parental involvement in the community at large. It is an area of minimum delinquency and vandalism, because the social fabric of the area relies heavily on the strengths of the family unit. It is a working-class area, ranging from unskilled to highly skilled to professional people who value education, work, and individual initiative. It is very accessible to key centres of the city. Where else in Alberta would you find a residential area within five to 10 minutes' drive of driving to this Legislature, the Citadel, the Commonwealth Stadium, the Coliseum and Northlands, the Jubilee Auditorium, the downtown area and, for that matter, the countryside. To the north boundary we are blessed with the beautiful river valley

through which runs Capital City Park. Some of these facilities are second to none in Canada. I think the citizens of my constituency are very proud of their city, and it is a compliment to this government to have participated in some of these major capital projects.

Mr. Speaker, as we approach the '80s, one can readily identify from the historical dimension of Edmonton Gold Bar the tremendous transition, growth, and future of this province, as outlined in the throne speech. For 50 years the area was primarily of agricultural industry. In the last 25 years petroleum certainly has taken a major spotlight. With that shift from an agrarian to a modern industrial province, the equilibrium that has been created provides new job opportunities, the influx of people. In the '60s we had many people from outside the province, where opportunities were more limited, many from our adjacent eastern province.

The urban sprawl and the encroachment that occurred as a result of this shift are evident. The social problems related to growth and affluence are forthcoming. The need for diversification and the growth of related industries are evident. One can now go to Strathcona county and see the immense growth of the Eastgate industrial park.

Edmonton Gold Bar as a constituency has been at the apex of these events. As a result of all these, we now see Alberta as a province emerging in a new leadership role in Confederation. In reflecting upon the past performance of this government, for which it has received a very strong mandate, my constituency will endorse the priorities outlined and expanded upon in the throne speech. It is the blueprint for action.

Notwithstanding this, Mr. Speaker, my constituents have expressed some general concerns, first, with the social fabric. They are concerned about the increasing incidence of crime in the city of Edmonton, which is a by-product of our affluence and rapid growth. They are also concerned about the breakdown of the family unit, which was basic to our way of life. They have also noted the marked increase in divorce and abortions throughout the province. Quality of life: the impact of urban sprawl and the growth of areas like Sherwood Park place a heavy stress on residential streets, with regard to services and traffic flow. The relocation of certain types of industry — for example, the attempted relocation of a rendering plant — and the possible impact of hazardous material accidents in the area are a concern to the residents. Regional planning: there is a great deal of interest in the outcome of annexation, since we live adjacent to what is known as Refinery Row. The location of the hospital for that general area is also a matter of particular interest, Mr. Speaker.

There is also concern with regard to the status of city and provincial government arrangements, as noted with the day care issue, the policing of Capital City Park, and many other areas such as this. The economic impact: the cost of affordable housing for our young people is certainly something alluded to in the throne speech. The erosion of the purchase power of pensioners who are on fixed incomes. Government spending, whether it be at the provincial, federal, or civic level. The concomitant tax levels are thought to have reached the point where they act as disincentives to additional effort and production. Finally, labor/management relations.

Generally speaking, the citizens agree with the desirability of most of the social objectives of our gov-

ernments, but there is considerable disagreement concerning the relative emphasis to be accorded each, and at what speed they should be met. Because resources are limited — or unlimited, depending on one's point of view — there is obviously a need for information and analysis to enable the public to better understand the implications of a particular scheme and its costs, and thus arrive at a clear definition of priorities.

The fundamental point is that it is not enough for people to decide what they want from their government; they also have to decide what they are prepared to pay. It is incumbent on the government to be sensitive to the public's concern and priorities.

In closing, Mr. Speaker, may I affirm that I view as an honor the challenge of serving my constituents. I sincerely hope that my contribution will be constructive and representative. Unlike my colleague from Macleod, I do not have a long list of predecessors. This area was served very capably before by the hon. Bill Yurko, the former Minister of Housing and Public Works who now is an elected Member of Parliament. Prior to that, the hon. Senator Manning represented the area, and this man's roots and legacy in this House and province will always be present.

Mr. Speaker, I hope that I am able to fulfil my responsibilities to my constituents and this Assembly.

MR. CRAWFORD: Mr. Speaker, I beg leave to adjourn the debate, and would indicate to hon. members that, as the House plans to sit this evening, we call it 5:30.

MR. SPEAKER: First of all, the motion by the hon. Government House Leader with regard to adjourning the debate. Are you all agreed?

HON. MEMBERS: Agreed.

MR. SPEAKER: Then with regard to calling it 5:30, are you all agreed?

HON. MEMBERS: Agreed.

[The House recessed at 5:14 p.m. and resumed at 8 p.m.]

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 1

The Companies Amendment Act, 1979

MR. KOZIAK: Mr. Speaker, on behalf of the hon. Premier, it gives me pleasure to move second reading of Bill No. 1, The Companies Amendment Act, 1979. The amendment will remove prohibitions preventing a company from purchasing shares in an affiliated company.

In 1977, Mr. Speaker, when the Legislature amended The Companies Act to permit the purchase by a company of its own shares, certain protections to creditors and shareholders were provided. Having regard to those restrictions to protect creditors and shareholders, it was deemed necessary that we shouldn't allow a subsidiary to buy shares in its parent company, because this would then get around what couldn't be done

directly. Of course, the purchase by a subsidiary of shares in a parent company would in effect be a reduction of the capital of the parent company and, in a direct manner, would be the purchase of a company by its own shares without the types of protections the 1977 amendments envisaged.

In enacting the restrictions on the subsidiaries, perhaps our net was cast a little too wide, in that we included a prohibition against affiliates also purchasing shares in other affiliates. We appreciate, of course, that the rationale for a subsidiary being restricted in its ability to purchase shares in a parent company does not apply in the case of one affiliate purchasing the shares of another affiliate. That transaction does not reduce in any way the paid-up capital of the parent company, nor would it in any way affect the rights of creditors or shareholders of the parent company.

As a result, Mr. Speaker, we see no need for such a restriction. The amendment before us this evening would remove that restriction and permit the type of corporate reorganizations that are necessary from time to time, in order to enable corporations to create the best type of vehicle to conduct their affairs properly.

[Motion carried; Bill 1 read a second time]

Bill 7
The Alberta Property Tax Reduction
Amendment Act, 1979

MR. MOORE: Mr. Speaker, I move second reading of The Alberta Property Tax Reduction Amendment Act, 1979.

Mr. Speaker, the purpose of the Alberta property tax reduction program is to reduce the burden of property taxes on the family home and on the family farm, and to provide one form of assistance to every family unit in the province of Alberta, including renters. This has been accomplished by removing the total provincial education portion of property taxes from all residences and most family farmland in the province. On the theory that the value of a person's home reflects his income to some extent, it provides for a minimum property tax reduction on the individual's principal residence of \$200 and, for persons 65 years of age or older, a minimum property tax reduction of \$400 in each case, or the total of the taxes, whichever is less.

Of course, rental properties have their rents established on the basis of costs and profit, and by removing the total provincial education portion of the property tax on residential rental properties, some cost savings are obviously passed on to renters. In addition, Mr. Speaker, if a renter is 65 years of age or older, he may apply directly to the Department of Municipal Affairs for a lump-sum senior citizens' renter assistance grant. The major purpose of this Bill is to increase that lump-sum grant to senior citizens who are renters from \$250 to \$500.

As I said at the outset, in the case of farmland the intention of the program is to assist the family farm unit, but in so doing not to provide encouragement or assistance to the corporate farm held by holding companies, development companies, and entities of that nature; rather, to provide that assistance to the family farm unit, which of course includes family farm companies.

The present section of the Act dealing with benefits to family farm units and to incorporated family farms

excludes non-family farm corporations from receiving benefits. There are, however, a number of what could be considered non-family corporations wherein all the members of the corporation reside on the farmland and derive their principal income from farming. Examples of those would be Hutterite colonies, or groups of farmers who form a holding company for purposes of operating farmland or a block of grazing land. Another matter we've run into in years past is the instance where a farmer has given a loyal farm employee shares in a company, and that employee still resides on the farmland.

I mention those matters, Mr. Speaker, because an additional purpose of this Bill is to clarify what we had considered all along to be the principle in terms of providing these benefits, and to move with some amendments which in fact provide that assistance to non-family farm corporations where all the members of that corporation reside on the farmland.

Mr. Speaker, in this legislation we are still maintaining the principle that benefits from the Alberta property tax reduction program do not flow to corporate entities which hold farmland for speculative purposes or rent it, and the principal owners do not in fact reside on the farmland, nor do they make their major income from farming. In addition, those who are non-resident will once again not be eligible for the benefits which flow from The Alberta Property Tax Reduction Amendment Act, 1979, as it's proposed to be amended.

Finally, there is presently a section in the Act, Mr. Speaker, which provides that where the owner of farmland also owns a residence which is subject to municipal taxes and which he normally occupies, that owner may not receive the property tax reduction for both the residence and the farmland, but may receive an amount equal to the greater of the two. As the property tax reduction is automatic on the residences, this situation is administered by levying the full provincial education tax against the farmland and having the owner make application for that amount of the property tax reduction on the farmland that is greater than the reduction which he automatically earns on his residence.

In years past — I believe this is probably the fifth or sixth year that we have been involved in the administration of this program — there have been a great number of ownership changes: people moving, buying and selling farmland, buying and selling residential property. It has become extremely costly for municipal governments to administer this section of the Act in an either/or situation. Quite frankly, Mr. Speaker, in my view it's been rather unfair to some people to ask them to take the property tax reduction benefits on either their farmland or their residence, in that you have examples of some individuals who own many, many pieces of residential property and can collect the property tax reduction on all of them. Others who choose to live in their residence in town then have to accept the property tax reduction on either their principal residence or their farmland.

So we are proposing in this legislation as well to correct what I believe has been an inequity in that regard, in addition to being very difficult to administer, so that citizens can receive the benefit of the Alberta property tax reduction program on both their farmland and their residence, regardless of what combination they own.

Finally, in the legislation there is a new provision to

provide assistance to senior citizens over 65 who reside in mobile homes of their own and rent a location for those homes, commonly known as a pad in a trailer court. In that instance, those people have been eligible for property tax reduction benefits, but only by way of the amount they pay as a licence fee. As members can appreciate, that amount is substantially less than the amount they are actually charged by way of property tax through the rents they pay to the mobile-home owner. So we have a situation where the licence in fact may be \$100, and the actual value of the taxes those individuals are paying for rent on that mobile-home pad is extensively more than that.

So in order that those senior citizens who live in mobile homes and rent a trailer pad receive benefits at least equal to other senior citizens, we're proposing that they be allowed a \$400 per year renter assistance grant, or the maximum benefits they can receive with respect to the regular portion of the Alberta property tax reduction program on their licence. In almost every case, Mr. Speaker, I believe they would in fact take the \$400 per year renter assistance grant.

Mr. Speaker, those are the essential and principal points of Bill No. 7, The Alberta Property Tax Reduction Amendment Act, 1979. I highly recommend the support of all members of the Assembly.

MR. NOTLEY: Mr. Speaker, in rising to comment briefly on Bill No. 7 before the House, I am sure most members would support the clarification as it relates to farmland and the principal residence. With respect to the new provision for up to \$400 for senior citizens who are renting a trailer court stall, I think that's certainly a step in the right direction too.

What I would like to do, however, is comment for a moment or two on the amendment increasing the present renter grant for senior citizens from \$250 to \$500. Obviously I intend to support the Bill. But in doing so, Mr. Speaker, I would draw members' attention to the discussion that took place in the question period approximately a week ago, I believe, when the issue arose of what the application of this provision would be as far as self-contained units are concerned. We have quite a number of self-contained senior citizens' units throughout the province and, as members recall, the rent on these units was recently increased from 25 per cent to 30 per cent of the income of individuals living in the units.

As I recall the minister's response to the question last week, he was under the impression at that time that this new grant program would in fact apply to people living in self-contained units. It's also my understanding that it will apply. However, Mr. Speaker, in contacting Alberta Housing and Public Works, I'm given to understand that this grant of \$500 will apply per household. In other words, if you have a husband and wife living together in a senior citizens' self-contained unit, they're not eligible for \$500 apiece, which would be \$1,000. They would be eligible for a maximum of \$500 per household. At least that's the information I've been given.

Mr. Speaker, I raise that because the information I received from Alberta Housing and Public Works last year was that the average income for couples living in the self-contained units was \$563 a month, or an average income of \$6,800. When Alberta Housing and Public Works decided to move from 25 per cent to 30 per cent of income that those individuals have to pay in

rent, the average rent last year — and one would assume that the income of senior citizens is slightly higher this year for no other reason than that the basic old age pension and the guaranteed income supplement have gone up with the cost of living; not the Alberta assured income, I might add, but the two federal portions of their income have been indexed to the cost of living. Nevertheless, even taking last year's figures, the rents charged in the self-contained units for the average couple would have gone up by \$326.

What we're now proposing to do is increase the maximum senior citizens' grant available, from \$250 to \$500 a couple. Certainly that's a step in the right direction — no question about that — and sufficient that members of the House, including myself, will vote in favor of this Bill. But I would say to the minister and to members of the House, Mr. Speaker, that in the case of the average couple there is still a shortfall of \$76.

The other problem that seems to me to be faced by senior citizens is that as the average income goes up in the next several years, as it will, not rapidly but on the basis of the indexing of federal pensions, the difference between 25 per cent and 30 per cent is going to widen the gap between this \$250 increase in the grant and what in fact they will be paying — unless of course, Mr. Speaker, we're going to be reviewing the grant every year. The minister could say, yes, we're going to do that. But as we often find with these programs, unfortunately we aren't quite as fast in changing these kinds of credits as the inflationary impact is on the purchasing power of people.

So, Mr. Speaker, while I think the Bill certainly merits support, I would just underscore again what seems to me to be the inescapable conclusion: the change in the way the Department of Housing and Public Works assesses rent in self-contained units is still going to extract more money from the average couple than this increase in fact will provide. No doubt the increase will be of benefit to all, and certainly a very substantial benefit to many people.

But I would just conclude my remarks on second reading, Mr. Speaker, by saying I would be somewhat happier in voting for this Bill if we had an undertaking from the government that they would be reviewing this 30 per cent they are charging in self-contained units. As I look at other provinces in the country, we're the only the province, oil-rich Alberta, that has to charge 30 per cent of gross income. Other provinces are 25 per cent, and I believe one province is 20 per cent. While that's another matter that can and will certainly be debated at length during the budget, Mr. Speaker, nevertheless I think it is one glaring fact that must be put in context before members vote on the principle of this Bill.

[Motion carried; Bill 7 read a second time]

Bill 18

The Local Authorities Board Amendment Act, 1979

MR. MOORE: Mr. Speaker, I move second reading of Bill No. 18, The Local Authorities Board Amendment Act, 1979. The principal reason for amendments to this Bill at this time has to do largely with the annexation application by the city of Edmonton now before the Local Authorities Board.

The Bill, Mr. Speaker, is designed first of all to

provide that the Executive Council may appoint members to the Local Authorities Board in such numbers as it sees fit, as opposed to the existing statute that provides for a maximum of three members. It provides as well that the Executive Council may divide the board into two divisions and direct each division to hear such matters as they may consider proper.

Mr. Speaker, when the Legislature approves this legislation, it is our intention to appoint either two or three additional members to the Local Authorities Board so that we have a complement of five or six members; to appoint three of those members, which I believe will include at least one of the existing members, to a panel to hear the Edmonton annexation application; to have the balance of the members hear other matters — and there are a good number of them, including other annexations from throughout the province, and all the financial aspects which the board has responsibility for, which include passing judgment on borrowings by local governments. It is our intention to have the balance of the members sit in a separate panel to do the functions that the Local Authorities Board normally carries out.

Some may ask, why this decision at this time? We've handled annexation applications in the past in this province without resorting to the provision of two divisions of the board which can sit at the same time, without resorting to providing for additional membership. The situation, Mr. Speaker, is this: in my view the Local Authorities Board probably has more before it at the present time than it normally has, or than it has had on an average over the last few years, even without the Edmonton annexation application. Without any changes, the route to go would be simply to allow the board to continue on its way and to structure hearings to hear the Edmonton annexation application, and to go between that and the other matters they have to deal with. I have every confidence that at some point in time the board would complete its work and hand a decision to us.

But surely it's not fair in this day and age to ask other municipal governments, developers, property owners, what have you, around the province to hold their requests in abeyance while a very extensive amount of work is undertaken by the board with respect to Edmonton annexation. Nor is it fair, Mr. Speaker, for us to do anything but hear, determine, and decide the Edmonton annexation application with all the deliberate speed we can. Indeed, a good number of things in the city of Edmonton and region, in terms of modern-day planning and moving ahead, depend on that decision. Surely it's just not possible to plan adequately with respect to growth of communities in the region, the growth of Edmonton city itself and all the services they provide, if a number of uncertainties are sitting out there.

Quite simply, Mr. Speaker, my objective in bringing this legislation forward is to have the matter of the application by the city of Edmonton dealt with as quickly as possible. That doesn't mean we will not allow — indeed we are allowing — adequate time for other municipalities and interested groups and parties to look at the proposal being presented by the city of Edmonton and to be able to prepare their case, if you want to call it that. Indeed, during the course of these hearings we want to provide every opportunity to find out and learn the views of other municipal governments, interested groups and parties, and citizens.

Mr. Speaker, I want to give a brief outline of what I expect the timetable to be. It's hedged with a lot of uncertainty because of our lack of knowledge about the length of time the hearings will actually take, but we do expect the hearings to begin about mid-September. The reason for their not beginning until that time relates to my earlier remarks with respect to those who are appearing before the hearings wanting adequate time to prepare themselves. My understanding is that over the next couple of months the city of Edmonton will be releasing a number of documents that give their side of the picture with respect to the application they've presented to the Local Authorities Board. It's only right, fair, and proper that other municipalities should have an opportunity to review those submissions to make their own case and prepare themselves well.

With the hearings starting about mid-September, it's our expectation that they could be completed within three to four months. I suppose it's touch and go whether we would have the hearings completed before Christmas. If not, obviously there would have to be some adjournment during that time, and then back the first of the year in 1980.

After the hearings are completed, quite properly I think it takes some length of time for the board to write a decision. Indeed, I don't want to have to ask the board to provide a decision a week after the hearings are completed. I would want them to have all the time they feel is required to make proper recommendations to our cabinet, because that's what they're really going to be.

After that, of course the Executive Council and members of our caucus from Edmonton region and others will want some opportunity to study all the representations made and make a final decision on the matter. In that regard I would hope that we have the Local Authorities Board decision in the time period of January to March, and that the Executive Council can make a final decision before June 1, 1980. There again I hedge those remarks by saying that depends entirely upon the length of the hearings and our desire to make sure all views are heard, which may move that down the road; hopefully not.

Mr. Speaker, from now until the end of those hearings, other members of the Executive Council and indeed members of Edmonton and area government caucus and I will be reviewing very extensively the representations presented before the Local Authorities Board. We'll be undertaking to consider a number of other things in respect to the style and type of metropolitan government that might exist in Edmonton and region. In the course of those responsibilities, Mr. Speaker, I expect, together with other members, not only to study but visit and talk to civic officials and ministers of other provincial governments of Canada in order to get a better understanding of the various challenges before us, in determining what I think will be a time frame of 25 to 30 years at least, in terms of the kind and style of local municipal government in Edmonton and region, indeed the size and the existence of municipal jurisdictions which now make up the region we're referring to.

Mr. Speaker, I conclude by saying that our objective is a fair and expedient hearing, with a desire that all views should be heard, all expressions of opinion listened to, and that the decision we make will be a lasting one that will shape the future form of local

municipal government in Edmonton and region for many, many years to come.

MR. R. CLARK: Mr. Speaker in taking part in the debate on second reading of Bill No. 18, I want to say at the outset that it is the intention of my colleagues and me to support the legislation. I commend the minister for the idea of enlarging the Local Authorities Board so that in fact two sets of hearings can go on at the same time.

I would say, Mr. Minister, that I also welcome your comments about the hearings for Edmonton hopefully starting in mid-September, a period of three to four months for the hearings themselves, with the possibility of a decision being ready by June 1980. I think that sets a reasonable time frame. I'm sure there are those who will say it's too long, and others who will say it's too short. But in a rather unaccustomed role, I find myself commending the minister for setting out pretty clearly for us here tonight what he plans to do in that area.

But I would like to make three other comments, Mr. Minister. Number one, I think the government should seriously consider an amendment to Section 3(2), which says, "The Board shall consist of those persons appointed by the Lieutenant Governor in Council as members of the Board." In principle, in the past we've spelled out in legislation at least the maximum number of members on the Local Authorities Board. Mr. Minister, I think it would be wise on the government's part to rethink the decision and perhaps put six in there. I believe you used the term "five or six" in your remarks, Mr. Minister. If you wanted to put in seven or eight, I wouldn't argue with that. But I do think it's important that we put some sort of limit on the Executive Council as to how large the Local Authorities Board will eventually become.

I think it's good, sound legislative practice to bring the board back before the Legislature. If in a number of years down the road it's the wisdom of the government of the day that number should be increased from six or seven to nine or 10, then that should be done here in the Legislature, not left to the Cabinet room itself.

The second point I'd like to make — and it's a point my colleague from Clover Bar has made in this Assembly on several occasions — is this: in our judgment there is real merit in making public copies of the recommendations that the Local Authorities Board gives to Executive Council. I can't underline that too much with regard to the Edmonton situation. These hearings that you and your colleagues are going to be getting advice from on the Local Authorities ...

MR. SPEAKER: I apologize for interrupting the hon. member, but perhaps this would be an appropriate time to refer to our adherence to ordinary parliamentary usage, eschewing the word "you" in debate except in remarks addressed to the Chair.

MR. R. CLARK: Mr. Speaker, then to the minister: I think the point should be made very clear, sir, that there'd be a real advantage to the Edmonton people to have the benefit of the recommendations of the Local Authorities Board, so Edmontonians and people in the surrounding area would have the opportunity to make representation not only to the cabinet but to the Edmonton area MLAs or to all Members of the Legislative Assembly. I'm sure my colleague from Clover

Bar will be making that amendment when we get into committee. Mr. Minister, on an annexation proposition that affects close to one-quarter of the people of this province, I think it's only being honest, fair, and reasonable to Edmontonians and people in the Edmonton region that they know what the Local Authorities Board's recommendations are to the cabinet before the cabinet and the government make a decision of this magnitude.

In principle, Mr. Minister, I think we should follow that practice of having the Local Authorities Board's recommendations made public just like we do with the Energy Resources Conservation Board. The Energy Resources Conservation Board holds a hearing, then makes a recommendation to the government, and that recommendation is made public. Certainly if it's important enough to do that with regard to matters of energy, we can follow that practice in a far more important area dealing with people's problems.

Mr. Speaker, after having made the points that it's important that the maximum number of members on the Local Authorities Board be included in the legislation and, secondly, that the recommendations of the Local Authorities Board should be made public to the people in the Edmonton region or to all of us, the third and last point I want to make is a caution to the minister — I nearly said "you", Mr. Minister — that when this government is looking around for two, three, four, or five people to add to the Local Authorities Board, appointments to the board are not the place to look after some of your political friends, Mr. Minister. You would do that very, very much at the government's own risk, Mr. Minister.

I would hope, Mr. Speaker, that when he concludes debate on second reading, or certainly in committee, the minister would give us the assurance that people will be appointed to positions on the Local Authorities Board based on their municipal experience or their legal background, and not on their political card. [interjections]

MR. NOTLEY: Mr. Speaker, in view of the experience of the last two months, how could the hon. Member for Olds-Didsbury even suggest that that might be a matter of some consideration?

Mr. Speaker, I'd like to deal with three or four points with respect to this piece of legislation. When he introduced the Bill, the minister indicated that we were going to increase the size of the Local Authorities Board — and I noticed the wording of the Act — but there was no specific indication as to whether or not this enlargement of the board to deal with the extraordinary application for annexation of the city of Edmonton ... Obviously that is going to create some real problems for the whole process, and I think most of us in the House would be quick to recognize that. But, as a result of second reading of the Bill, Mr. Speaker, we're not certain whether these additional members of the board are going to be permanent members or whether their appointment will just be at the pleasure of Executive Council to carry out the hearings on Edmonton and district annexation.

I think that's the crucial question that really should be examined. Are we in fact talking about a long-term expansion of the size of the Local Authorities Board? Is the minister convinced that we're going to be dealing with enough additional annexation proposals from municipalities and developers, what have you,

throughout the province that in fact we're going to have to expand the size of the board anyway? Or are we just looking at this one particular set of hearings? If we are, Mr. Speaker, and we're talking then about short-term appointments, we're probably getting into what one might almost call a variation of the ECA, where we're going to have a special panel struck to deal with the Edmonton annexation question.

That does raise, and very validly, the question of the type of people who are going to be appointed to the panel. I would assume, Mr. Speaker, that we're going to be very careful about no partisan overtones. But when one considers the way people feel about this matter — the very deep feelings both among those who argue in favor of Edmonton's annexation proposal as well as people in Strathcona county or in the city of St. Albert or Sherwood Park — if you just measure the firmness of views on both sides of the question, it's going to be extremely important that in the selection of people to sit on this panel the minister exercise at least the wisdom of Solomon, in order to make sure that the people chosen are beyond question. Not impartial from a partisan point of view, Mr. Speaker, but of sufficient standing that they will be able to be considered independent, from the vantage point of both the city on one hand and the acreage owner in Strathcona county on the other. Now that's a fairly tall order.

I want to move from there, if I can, to deal with the whole issue of what we do with the Local Authorities Board report once it's given to the minister. The timetable seems reasonable, but the minister advises us he's going to consult with his Edmonton area colleagues. Mr. Speaker, with great respect to the minister, it seems to me that once the hearings are held by the Local Authorities Board and recommendations are made, it is incumbent upon the government to make those recommendations public.

I recall the former Minister of Municipal Affairs standing up and saying annexation was essentially a political matter. We amended the Act in 1975 so the cabinet had final decision on annexations. That's a perfectly legitimate point of view. But you know, Mr. Speaker, if annexation is essentially a political matter, I think we have the corresponding obligation to make sure that the information on which the whole decision-making process is based be made available to the public. This is especially important when you deal with a matter as crucial to the development of urban Alberta as the annexation proposal of the city of Edmonton.

Quite frankly, in looking over the annexation proposal — I don't want to prejudge it, but it strikes me that the city of Edmonton is certainly overreaching itself in its proposals. We'll wait and see what the hearings bring out. But as a member of the Legislature and as a resident of Alberta, I think the government is eventually going to have to make one of the most important decisions with respect to local government that has been made in the history of the province. That being the case, it is certainly only reasonable that in addition to the Edmonton area MLAs having access to this Local Authorities Board report — or I presume they will, from listening to the minister's speech on second reading — that this information in fact be made available to the public at large and to all the members of the House.

The other point I would make, Mr. Speaker, is that once the Local Authorities Board panel has completed

its hearing and hopefully the government has decided to make the information public . . .

MR. SPEAKER: I apologize for interrupting the hon. member, but there appears to be a little difficulty with the sound amplification system. It would seem to me that we should get by reasonably well if we go back to the custom of the years before about 1965. I think from the beginning of this Assembly until about that time there was no sound amplification system in the House, and perhaps this would be a time to demonstrate that we really don't need one.

MR. NOTLEY: Mr. Speaker, I don't think there's any difficulty with most of us being heard in this House.

Mr. Speaker, beyond the question of the tabling of the information — which I think is important for the people of the area and, for that matter, the people of the province, to assess their view on the annexation question — I would hope there would be a commitment on the part of the government to hold a formal debate in the Legislature on annexation. I recall shortly after the provincial election, I think it was the Premier who indicated that there would be a formal debate. There was no mention of it in the Speech from the Throne, and in the timetable outlined by the hon. minister I was rather surprised that there was no commitment on the part of the government to hold a debate. Presumably one could. We could generate that, I suppose, from this side of the House, but unless we have access to the information it really wouldn't be a productive use of one's time.

Mr. Speaker, because of the importance of the issue, it does seem to me that these things all really tie together: very definite caution in the appropriateness of the people appointed to the panel; secondly, notwithstanding the provisions of The Municipal Government Act, a release of the information so the public can come to a conclusion; finally, before the cabinet does make a decision, a formal debate in the Legislature.

DR. BUCK: Mr. Speaker, in rising to take part in the vote on this Bill, I would just like to say for the hon. Member for Spirit River-Fairview that a commitment has been given in a letter to me from the Premier that indicates there will be a full and free debate in the Legislature before the decision is made. I believe the word of the Premier, so I believe that that debate will be held before we have the decision.

MR. MOORE: You're in the middle of it right now.

DR. BUCK: We're in the middle of it right now? Too bad the Premier isn't here, Mr. Minister.

Mr. Speaker, when we are looking at legislation such as this, and when we're talking about a massive annexation, which we will be discussing later, I think we have to remember that the decisions we make, that the government makes, are decisions that will be . . . Emotions will be involved, pro and con. People's lives will be disrupted. So the decisions we make should be made after we've had a full and open debate in this Legislature. That way, Mr. Speaker, the decision will not rest just on the shoulders of the government. It will rest on the shoulders of all members of this Assembly.

I just want to bring up that point, Mr. Speaker, that

we have been promised a hearing in this Assembly.

The matter of the public being given the decision by the Local Authorities Board, I believe, is something we should amend, Mr. Minister, because then the people we serve — and we have to remember we are serving the people of this province and not vice versa, which this government sometimes seems to forget — can decide if we, the legislators, are making the right decisions. But in the system as it exists, we the people of the province do not know what the recommendations by the Local Authorities Board are.

So, Mr. Speaker, we're looking forward to your bringing that amendment into the Bill, and we have forewarned you that we will be bringing that amendment to the Bill. And then you shall decide . . .

MR. SPEAKER: Order please. It's most distasteful to the Chair to have to interrupt debate on such an elementary point, but the wisdom of the centuries has indicated that in an Assembly of this kind, one doesn't use the second person, either singular or plural. Unless the Assembly wishes to change that and revert to "you" to each other across the floor, it's my duty to uphold that tradition and practice which, I say, have been proven sound by the wisdom of the centuries.

I would be grateful if hon. members might adhere to ordinary parliamentary custom in regard to addressing the Chair and speaking about what other members say rather than speaking to those members directly about what they've said.

DR. BUCK: I agree, Mr. Speaker, and eight out of 10 times I shall do that. But every once in a while, Mr. Speaker, you get carried away with your enthusiasm and you forget, or the minister may not be listening and you have to awaken him. [laughter]

Mr. Speaker, the point I'm trying to make to the hon. minister is that the government would be wise to bring in the amendment that the decision of the Local Authorities Board be made public before a decision is made. So these are the two main points I would like to emphasize, and the commitment we have received in writing from the Premier that before the final decision is made there will be debate by members of Executive Council or, rightfully, by members of the Legislature.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. MOORE: Mr. Speaker, just a few brief comments in concluding debate on Bill No. 18. First of all, I appreciate the support of hon. members opposite with respect to the principle of the Bill, in terms of dividing the Local Authorities Board into two divisions and thus allowing the work of the board to carry on without any delay.

But I would like to make specific reference to some of the points that were made. I believe at least two, and possibly all of the members who spoke, emphasized the need to consider making Local Authorities Board recommendations public at the time its decisions are forwarded to the Executive Council. In that regard, Mr. Speaker, I might say I've had that matter under consideration and lean toward the view that the existing system, where the board orders are provided to Execu-

tive Council without being made public either by the board or Executive Council — regardless of whether it's the Edmonton annexation application or what it is — is probably not appropriate. I have reason to believe that from the experience we've had since we made amendments to The Municipal Government Act two years ago, it may be appropriate for us to consider some changes.

The other matter before me, Mr. Speaker, is the whole matter of the concept of the operations of the Local Authorities Board in terms of its hearing of annexation applications and the kinds of things it takes into consideration in hearing those applications, and the very extensive work the board does with respect to financing by local governments in terms of borrowing, balancing their budgets, and so on. Indeed, that relates as well to the number of members on the board. It's easy to say there shall only be three, four, six, or whatever with respect to only one division of the board operating. If the Local Authorities Board is then deluged with applications from local government for borrowings or with respect to financial matters, they simply expand their staff. By and large, after several weeks the board itself spends half a day or a day dealing with 25 or 30 different applications from various municipal governments around the province with respect to borrowing and financing.

I've been concerned that we could get into a situation where in fact too much of the actual judgment is being done by staff members, as opposed to board members. Quite frankly, there needs to be a very healthy input by Local Authorities Board members in terms of the financial management of local government. That's what they're structured to do.

So those two matters, the number of members and whether or not annexation orders made by the board and provided to Executive Council, have been under consideration. However, I did want to take more time to consider the broad matter of the operation of the Local Authorities Board before making recommendations for change in that regard. I will undertake to consider those matters during the course of the next few days before committee study. But I hope members will appreciate that in leaving the number of members open-ended, it was certainly not our intention at the present time to appoint more than what I indicated tonight. Quite frankly, it was my intention that we revert to three members when the Edmonton annexation hearings are completed.

I should say, however, that one doesn't know what the future holds in terms of applications that may come before the board. I know, for example, our annexation application surrounding the city of Calgary is again being prepared at the present time. I don't know to what extent the resources of the board would be taxed in dealing with those.

Some other points were made with respect to amendments to the Act and who might be appointed to the board. I can say with certainty that I do not intend, now or in the future, to give any assurances whatsoever that former members of this Legislative Assembly or Executive Council would not be appointed to the Local Authorities Board. Quite frankly, had I made a commitment of that nature when I brought amendments to The Irrigation Act in 1975-76, I would not have appointed a former member of this Legislature from Macleod, the hon. Mr. Buckwell, to the Irrigation Council. I just wouldn't have done it, be-

cause I would have made a commitment that my political friends could not be appointed. In that particular case, it wasn't even necessarily a political friend.

MR. R. CLARK: You ran out of Conservatives.

MR. MOORE: What it was, Mr. Speaker, was a case of talented people who were able to do an appropriate job and wanted to serve, which has been the case quite frankly with any appointments I have been associated with since my time on the Executive Council. That will be the case with appointments to the Local Authorities Board. If they are former members of this Assembly, their appointment will rest on their ability to do a good job in that relation, not on what political party they might have been a part of.

Mr. Speaker, I think I can conclude on the subject of debate in this Legislature and say to the hon. Member for Clover Bar that indeed we are now in the midst of the first of what I hope will be a number of debates on Edmonton area annexation in this Legislature. I said, I believe it was two weeks ago, that there would be an opportunity to debate certain matters with regard to how this hearing was held. If members wish to give their opinions either now or in committee study on what they think the outcome should be, that is certainly their privilege, and it may be a very opportune time to get into that debate.

In addition, Mr. Speaker, members well know that there are two private members' days in this Legislature, one on Tuesday and the other on Thursday. They occur in the spring sitting and during the fall sitting.

DR. BUCK: Pat us on the head some more.

MR. MOORE: There are lots of opportunities, Mr. Speaker, for hon. members to debate the situation with regard to Edmonton area annexation in this Legislature. In addition, we have not yet concluded the throne speech debate. I'm not even sure if the hon. Member for Clover Bar has entered that debate yet.

DR. BUCK: Stick around, Marv.

MR. MOORE: In addition to that, when that is concluded, the hon. Provincial Treasurer will be bringing down a budget, and we have what we call a budget speech debate, a wide-ranging debate, another opportunity for members to debate the size of metropolitan government in Edmonton and area.

In concluding, Mr. Speaker, I would think that the hon. Member for Clover Bar might in fact want to make some comments with respect to the continued existence of part of his constituency and the town or the city he lives in. So that opportunity is there, Mr. Speaker.

Thank you very much for supporting second reading of Bill No. 18.

[Motion carried; Bill 18 read a second time]

Bill 4
The Alberta Insurance
Amendment Act, 1979

MR. KOZIAK: Mr. Speaker, it's my pleasure this evening to move second reading of Bill No. 4, The Alberta

Insurance Amendment Act, 1979

This Bill would provide for the implementation of an industry plan approved by the government, what may be called a facility association in this province, which would require all licensed insurance companies that sell automobile insurance be members of the association. The facility association will provide a better method of handling those citizens of Alberta who encounter difficulties in obtaining the minimum compulsory insurance.

It's expected that somewhere in the vicinity of 1 to 2 per cent of all insurance writings in the province will be through the facility association. The association will make it easier for insurance agents to place insurance for their customers in situations where the usual market place will not accept the applicant for automobile insurance, primarily because of the history of the applicant, the driving experience he brings to the bargaining table. With the new system, the agent for the assured will be able to deal directly with the insurance company.

Mr. Speaker, the constitution, the by-laws, the rules, and regulations of the facility association will have to be filed with the office of the Superintendent of Insurance under the Insurance Act. It would also be of interest to members that the rites which might be charged to drivers in the province under the facility plan would be subject to the approval of the Alberta Automobile Insurance Board.

Mr. Speaker, with that I move second reading of Bill No. 4.

[Motion carried; Bill 4 read a second time]

Bill 5
The Libraries
Amendment Act, 1979

MRS. LeMESSURIER: Mr. Speaker, it is my pleasure tonight to move second reading of The Libraries Amendment Act, 1979.

The purpose of this Bill is to provide remuneration and travel expenses to the members of the Alberta Library Board in accordance with a committee remuneration order. The existing Libraries Act specifically forbids any remuneration for services, while other government boards and committees are paid an honorarium. The proposed changes will permit payment of honoraria in addition to the travel and substances.

Therefore, Mr. Speaker, I recommend the support of Bill No. 5.

MR. R. SPEAKER: Mr. Speaker, I would just like to make two comments with regard to the function of the board and possibly other persons who work within the department on libraries. The concern I have emanates from a tour made through southern Alberta by some library professionals on staff, I believe, plus it could have been one of the members of the board. They entered this hamlet that started a library some 25 years ago in the school. It's a very small library, built up to a point where the public library is in the school, plus they've moved some of the books into the community hall.

This representation of three ladies came to the community in January or thereabouts of the current year. First of all, they interrupted a gathering of ladies

involved in a learning course. They came in unannounced and wanted attention from the local community and local library chairman, which was very inconvenient. That was the first thing.

Secondly, they very quickly reviewed the surroundings of the community hall, the ill-looking library shelves where the books were and the access to the hall, and said: this shouldn't be here; it should be in another place, and it just doesn't fit a rural library. The next thing said was that the community library shouldn't be in the school; people won't get to it there.

At that point the ladies sitting there were becoming very concerned because of this rather urban type of attitude and behavior that was displayed, and very ill-presented. The lady who is chairman of the library board indicated to me that at that point they just about felt they should ask them to leave them alone in this rural community. From the information I had, I felt very much that way. That was the circumstance and the situation.

It illustrates to me the concern we should have in the administration of libraries in rural Alberta. Number one, a lot of people in rural Alberta as well as in urban Alberta like to read. Number two, we'd like to have the adequate facilities they have in Edmonton, Calgary, or Lethbridge, with librarians, paid staff, and so on. But we just can't afford that type of facility in rural parts of Alberta. We do the best we can. We work in the schools with their libraries. The library grants for books that are made available — we supplement that school library, and we co-ordinate the two. It may not look too adequate to the professional librarian or someone who comes in from an urban centre. It may not look like a first-class facility.

But the way people at the local level operate is that they know that if they leave all the books in the school, some people just do not want to go on the school grounds to pick up their books. But if it's in the store — they have one display of books in the store. A few of the books are tattered and the bookshelf isn't painted with all the extra glamor to it, but a number of people who happen to go in to buy their groceries pick up books. There's quite a circulation of books in the rural community because of that fact. Some people go to the community hall and pick them up there, and some go to the school.

So the local people know the habits of their local residents and meet their needs the best they can with the books that are available. But the people who came in from the department ... I'm going to check the names and relate them to you; I didn't realize this was coming up. I did happen to talk to the local library chairman yesterday, and they did record the names because of their concern.

If this type of thing is prevalent in other hamlets or small towns in Alberta, I think that's a disgrace relative to the amount of dollars we're putting out. I'm sure that as a new minister you wouldn't tolerate that type of implementation of programming. Certainly the objectives, the real needs, and just some local attitudes and customs are not being taken into consideration in the library program of Alberta. It might be happening by default rather than by design. But as a new minister, I'd sure have a look at that and be aware that it has happened just recently and may be going on in rural Alberta without your knowledge.

MR. SPEAKER: Order please.

MR. R. SPEAKER: I'm sorry, Mr. Speaker. Without the knowledge of the minister.

DR. BUCK: That wouldn't be new.

MR. R. SPEAKER: Mr. Speaker, one of the other things that could be indicated by this type of thing is that the library program of Alberta may be tending toward centralization, rather than decentralization out to the people of Alberta. Mme. Minister, I would certainly observe that in the new programming that may be taking place in the days ahead.

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

HON. MEMBERS: Agreed.

MRS. LeMESSURIER: Mr. Speaker, point one was extremely well taken. Therefore at this time I move second reading of Bill No. 5, The Libraries Amendment Act, 1979.

[Motion carried; Bill 5 read a second time]

Bill 8

The Alberta Government Telephones Amendment Act, 1979

MR. SHABEN: Mr. Speaker, I move second reading of Bill No. 8, The Alberta Government Telephones Amendment Act, 1979.

The Bill is straightforward in that it allows for increased attention to the very important area of telecommunications within the province. All members are aware of the complexity of the industry with the development of modern technology, and the various jurisdictional matters that will be before us in the next four years. The Bill allowing for the associate minister to assume the chairmanship of the commission, and the minister its vice-chairmanship, will allow greater attention to this important area.

[Motion carried; Bill 8 read a second time]

Bill 9

The Public Lands Amendment Act, 1979

MR. MILLER: Mr. Speaker, I move second reading of Bill No. 9, The Public Lands Amendment Act, 1979.

There are five amendments to this Act, Mr. Speaker. The first and primary objective of Bill No. 9 is to reflect the responsibilities for Public Lands and Wildlife in definition of minister and associate minister.

The Bill will also permit the inclusion of terms and conditions in dispositions of public lands, as well as clarify the Crown's ownership and the methods of disposal of improvements which are from time to time left behind on public land or placed there without authority.

The fourth aspect of this Bill is to make provision to place holders of licence of occupation roads in the same restricted liability position as municipality and the Crown.

The fifth and last feature of this Bill is to place

corporations holding grazing leases in the same relative position as individuals, in that the Bill provides that when 5 per cent or more of the shares change hands, an assignment fee will be payable proportionate to the percentage of shares changing hands.

[Motion carried; Bill 9 read a second time]

Bill 10
The Public Lands
and Wildlife Statutes
Amendment Act, 1979

MR. MILLER: Mr. Speaker, I move second reading of Bill No. 10, The Public Lands and Wildlife Statutes Amendment Act, 1979. This Bill is necessitated by the reorganization of the department, and "minister" means "associate minister".

[Motion carried; Bill 10 read a second time]

Bill 12
The Department of
Recreation, Parks and Wildlife
Amendment Act, 1979

MR. TRYNCHY: Mr. Speaker, I move second reading of Bill No. 12, The Department of Recreation, Parks and Wildlife Amendment Act, 1979.

The purpose of the Bill, Mr. Speaker, is to restructure the department. It removes the "Wildlife" facet from the Bill, and the wording "Recreation, Parks and Wildlife" will now read "Recreation and Parks". This will relate to four other Bills, and another Bill that will be brought forward later on will pass the same amendment.

[Motion carried; Bill 12 read a second time]

Bill 14
The Fatality Inquiries
Amendment Act, 1979

MR. PAHL: Mr. Speaker, I move second reading of Bill No. 14, The Fatality Inquiries Amendment Act, 1979.

The primary purpose of this Bill, Mr. Speaker, is to permit the pituitary gland to be removed during the course of an autopsy for the purposes of providing treatment for children having a growth hormone deficiency. This is a brief amendment, and the portion I wish to speak to will be of enormous benefit in this Year of the Child to children who suffer a deficiency of the growth hormone. The amendment will clear the way to enabling these children to overcome this deficiency and enjoy the gift of normal growth. The situation is that the pituitary gland shall not be removed from the body should the medical examiner have reason to believe that, prior to his death, the deceased objected, or that his next of kin or personal representative objected to the removal.

There are other housekeeping changes, Mr. Speaker. I've not gone into detail on those, but certainly they're minor to the very important opportunity of putting into place legislation to allow these children suffering from retarded growth to get back on the mainstream of normal growth as soon as possible.

[Motion carried; Bill 14 read a second time]

Bill 19
The Alberta Hospitals
Amendment Act, 1979

MR. RUSSELL: Mr. Speaker, I move second reading of Bill No. 19, The Alberta Hospitals Amendment Act, 1979.

There is only one clause in the proposed amendment, Mr. Speaker, and it deals with one matter only. That refers to the amendment to the Act that was made a year ago, whereby we set up the Hospital Privileges Appeal Board as part of this Act. Since that time the members of the board have been appointed. There has been some discussion as to procedures, and I understand that five or six applications for hospital privileges reviews have been received by the board.

In preparing to hear the various appeals, the board members in their considered opinion believe this amendment is necessary. It does two things: it gives them the powers and rights to subpoena witnesses, and it gives them the immunities from defamation acts that are accorded those in the Supreme Court of Alberta.

With that explanation, Mr. Speaker, I move second reading of this Bill.

[Motion carried; Bill 19 read a second time]

Bill 20
The Department of
Tourism and Small Business Act

MR. ADAIR: Mr. Speaker, I move second reading of Bill No. 20, The Department of Tourism and Small Business Act.

The purpose of the Bill, Mr. Speaker, is to provide for the reorganization and the creation of the new Department of Tourism and Small Business. The Act will allow for the separation of the various functions of the former Department of Business Development and Tourism, with the component Travel Alberta coming over in total, along with the functions related to small business from the former Department of Business Development and Tourism. Those sectors relate primarily to the management assistance program, the business counselling services, the site location and assistance program, and the rural development projects.

DR. BUCK: In rising to take part in the debate very briefly on this Bill, I'd just like to say that we as a party have been recommending for some time that we create a department of tourism. So I feel it's a step in the right direction, Mr. Speaker, and to combine it with small business is fine. But what we want to see is some initiatives from the new minister. It's fine to create a new ministry; it doubles the pension of everybody in the second row by appointing all these new ministries. But what the people of the province want is some action. This government's been paying lip-service to what they're going to do for small businesses, but that's all it's been, Mr. Minister.

So the onus is going to be upon the minister, Mr. Speaker, to provide some direction and some initiative from this government. I am already disappointed. You know, we're talking about the great Stamp Around Alberta program; fine. And we've extended it into British Columbia; fine. But how about the neighboring

provinces and states? If we're showing so much initiative in this new department, let's see it. So I wish the minister well, and if he doesn't do well, we'll let him know

Mr. Speaker, with those few words, I will support the Bill.

[Motion carried; Bill 20 read a second time]

[At 9:20 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

