

# LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Thursday, May 15, 1980 2:30 p.m.

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

## PRAYERS

[Mr. Speaker in the Chair]

### head: PRESENTING PETITIONS

MR. NOTLEY: Mr. Speaker, I wish to present to the Legislature a petition of some 15,308 Albertans, asking that rent controls be retained after June 30.

### head: INTRODUCTION OF BILLS

#### Bill 53 The Mines and Minerals Amendment Act, 1980 (No. 2)

MR. LEITCH: Mr. Speaker, I request leave to introduce a Bill, The Mines and Minerals Amendment Act, 1980 (No. 2).

Mr. Speaker, this Bill is similar to a Bill introduced during the fall sitting, and permitted to die on the Order Paper. It has a number of purposes, but its prime purpose is to provide procedures for entering into major development agreements with respect to mines and minerals. It also contains provisions enabling lending institutions other than chartered banks to take interests in Crown agreements as security. In addition, it contains provisions, wider than those contained in the current legislation, for dealing with metallic minerals.

[Leave granted; Bill 53 read a first time]

#### Bill 58 The Dependent Adults Amendment Act, 1980

DR. PAPROSKI: Mr. Speaker, I beg leave to introduce Bill 58, The Dependent Adults Amendment Act, 1980.

Members will recall that The Dependent Adults Act was proclaimed in 1978 with the principle that the Bill was to establish means and procedures whereby a guardian may be appointed to act on behalf of another adult who is incapable of making decisions on his or her behalf. Mr. Speaker, the amendments in this Bill will follow that principle, which are all intended to improve the care and protection of the dependent adult, and in the best interests of the dependent adult.

Following these principles, Mr. Speaker, the Bill brings in amendments of compulsory confinement, where a dependent adult presents a danger to himself, and proper safeguards for review, appeal, and guidelines. Also, it will bring in expanding and serving of documents to the dependent adult and the next nearest relative, and allocate costs, firstly to the Crown, for application of guardianship. The other principles of the Bill, again for the best interests of the dependent adult, are: permitting professional release of information and expansion of information to assist the dependent adult's application in

proceedings, delegation of authority for public guardianship, and other important matters regarding general health.

Mr. Speaker, each of the amendments is intended not to harm the dependent adult, and should improve the care, recognizing the personal needs as well as the property of the dependent adult. It's a privilege to be able to assist the dependent adult in this way.

Thank you.

[Leave granted; Bill 58 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill No. 58, The Dependent Adults Amendment Act, 1980, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

### head: TABLING RETURNS AND REPORTS

MR. CHAMBERS: Mr. Speaker, I would like to table the response to Question No. 112.

### head: INTRODUCTION OF SPECIAL GUESTS

MR. WOLSTENHOLME: Mr. Speaker, it's my pleasure today to introduce to you, and through you to the members of this Assembly, 30 grades 5 and 6 students from Percy Pegler school in Okotoks. They came up by bus this morning, and I understand they intend to fly home this afternoon. They have their teacher Mrs. Elaine Knudston with them, and parents Mrs. Black, Mrs. Pavelich, and Mrs. Gour. I would ask them to stand and be recognized by this Assembly.

MRS. OSTERMAN: Mr. Speaker, it is my pleasure to introduce to you, and through you to the members of the Assembly, almost 90 grade 9 students from the Airdrie school. Attempting to shepherd these young people and keep them all together, I understand, is teacher Ray Brydon. Assisting him are chaperones Mrs. Assel, Mrs. O'Neil, Mr. Sorensen, Mr. James, Mrs. Shuttleworth, Mr. McDougall, Mr. Van Aert, and Miss MacDougall. Would they all rise and receive the welcome of the House.

### head: ORAL QUESTION PERIOD

#### Day Care

MR. R. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Social Services and Community Health, and ask him to explain to the Assembly why it will be necessary after August 1 for families who qualify for day care subsidy to apply for the subsidy at regional welfare offices.

MR. BOGLE: Mr. Speaker, first, there will be a transfer of existing family subsidy programs, and those individuals will not be required to do anything other than what they're doing at the present time.

In the case of how new applicants might apply, as I'm sure the hon. member is aware, only 32 municipalities in the province are currently in the family subsidy program with the provincial government. As of August 1, people

living in communities outside the 32 will be able to apply for the family subsidy program, a program now denied them. Therefore, the 42 regional offices across the province will be the appropriate way in which individuals may make their applications.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Why is it necessary to change the day care funds — take them out of the community services appropriation, Vote 10 in the minister's department, and move them over to Vote 2, public assistance? It seems to me totally contrary to the whole concept of day care being a community-based program.

MR. BOGLE: Mr. Speaker, if the hon. member would like to check *Hansard*, and also reflect on the answer I've just given as to the appropriateness: number one, in providing the service to a large number of Albertans, we do not wish to increase the civil service unduly; therefore, the appropriate way we will be providing the service will be through existing offices and using existing staff.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Has the minister received representation, especially from the two largest cities in the province, expressing concern about moving the day care concept from the community social services programs in the minister's department, basically the PSS area, really to the social allowance or public assistance area? Has the minister given very serious consideration to the implications of that move for the day care programs in the province?

MR. BOGLE: Yes, Mr. Speaker. There has been some representation made to department officials by officials of a number of municipalities. I do not believe that to this point in time any letters have been directed from mayors or councillors directly to my office, but I would like to say that the reaction has been varied. Some municipalities are concerned about the very point the hon. leader mentioned. Other municipalities have expressed great satisfaction with the way we are moving. Individuals from municipalities not now in the day care program — where individuals have been denied the right to apply for a family subsidy and will have that right as of August 1 — have expressed some real gratitude for the move.

MR. R. CLARK: Mr. Speaker, to the minister. Can the minister indicate to the Assembly when this decision was made to move the funding for day care from community social services to social allowance? The budget the minister has presented to the House is inaccurate because, as of August 1, the funds will be coming not out of Vote 10, which the Legislature approved for that purpose, but out of the social allowance vote.

MR. BOGLE: Mr. Speaker, it's accurate that at the present time the day care program and the family subsidy program are in Vote 10. It is also accurate that it is our intention that as of August 1, funds for the family subsidy program will flow from a different vote. That's a decision made by government caucus within the past couple of months. I see no particular problem with it, Mr. Speaker. As the hon. member knows, there may not be sufficient funds in the vote. If that is the case — and I can't comment on that at this time — there may well be a surplus in that vote and we will not be required to ask for additional funding.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Has the hon. minister cleared with the Treasury Board and the Provincial Controller that a special warrant would be able to be drawn under Vote 2 to meet the gap after the August 1 shift? It is one thing to have some funds left in Vote 10, which is the community social services area, but will the minister be able to acquire a special warrant under a totally different vote from what the Legislature has approved for the funding of day care?

MR. BOGLE: Mr. Speaker, it may or may not be necessary to request a special warrant. It's certainly premature to make that suggestion at this point in time. What I am indicating is that as of August 1, the funding for the family subsidy program will be provided by the department through one of the votes — Vote 2, I believe it is — whereas at the present time and until August 1, 1980, the family subsidy will come from a separate vote.

MR. R. CLARK: Mr. Speaker, to the hon. minister. After spending four or five days on the minister's estimates, is the minister now telling the Assembly that we have money in Vote 2 to take over the operation of day care after August 1? The place to have honestly told us that was when we were doing those estimates, rather than to mislead the Legislature.

MR. BOGLE: Mr. Speaker, I don't think anyone on this side has tried to mislead the Legislature. Very clearly, the questions have been asked today, and I've answered them in a straightforward way. I'm indicating that the decision has been made to make a transfer within the department for obvious reasons. Now if the hon. member is suggesting that we should have gone out and added staff members so that we could continue to provide money through Vote 10, and that staff members should have been charged with that one function and that one function only through 42 offices within the province, then I'd like the hon. member to say so clearly. It is our intent to find ways to provide services to people at the least cost to the public purse.

MR. R. CLARK: Mr. Speaker, one further supplementary question to the hon. minister. The question isn't whether we're going to add staff or delete staff. The question is the development of the best possible day care program in the province of Alberta. My question to the minister, and I don't know how I can make it any clearer: are there funds in Vote 2 that will enable the department to meet the legitimate demands put forward by families across this province for subsidized day care after August 1? Is there money in Vote 2 to do that?

MR. BOGLE: Mr. Speaker, it's been the custom during estimates for ministers to respond to questions put forward. I did respond to each and every question put forward by the hon. Leader of the Opposition and other members of this Assembly, not only on Vote 2 and Vote 10 but on all 11 votes of the department, including the Alberta Alcoholism and Drug Abuse Commission. What I have indicated is that there will be a transfer of responsibility from one vote to another.

Mr. Speaker, as all members of the Assembly are aware, it is not possible to transfer money from one vote to another. If we find there is a shortfall — and keep in mind that a commitment exists with municipalities as to assistance which may be provided through day care. And we should not confuse the question of the day care unit

itself; it will stay in Vote 10. We're talking about the responsibility to provide the family subsidy program, and that will be shifted to another vote of the department. If we find that — because we did make some guesstimates' as to amounts of money that would be required — there are not sufficient funds, we have a couple of alternatives. One of them is a special warrant application.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Why, in the course of the estimates on Vote 2, did the minister not indicate to the Assembly that it was his intention to fund day care out of that vote? Why did the minister give the impression to the House that day care would continue to be funded out of Vote 10, and get the approval of the Assembly for that?

MR. BOGLE: Mr. Speaker, that's a hypothetical point on the hon. member's part.

MR. R. CLARK: Hypothetical be darned.

MR. BOGLE: I don't recall, and I'll be pleased to check *Hansard*, any questions raised on that specific point. I did answer questions on matters, and I mention again that I do not recall one question put forward that was not answered in terms of a direct response to the hon. member, either verbally in this Assembly or the commitment to provide some statistical information in a written form to the members.

MR. R. CLARK: Mr. Speaker, to the hon. minister, sir, in the form of another supplementary question. When the minister presents estimates to the House that list day care under Vote 10 ...

MR. SPEAKER: The hon. member is not asking a supplementary. He is continuing a line of argument which is certainly testing the boundaries of the question period.

MR. R. CLARK: Mr. Speaker, can I put this question to the minister: did the minister know that the mandarins in his department had made the decision to fund day care out of Vote 2 rather than Vote 10? If the minister did, why didn't he level with the Assembly?

MR. SPEAKER: There has to be some limit to the kind of innuendo which is now coming into the hon. leader's question. I might add to that my misgiving about whether we are going to use the question period for supplementary questions which are dealt with at great length in committee. We don't want to turn the question period into a supplement to procedure in committee on the estimates.

MR. R. CLARK: Mr. Speaker, in speaking to that point of order, sir, with the greatest of respect, this Assembly spent several days on the hon. minister's estimates. Members of the Assembly should have been under the impression that day care would be funded out of Vote 10, because that is where day care is listed in the information the government presents to the Assembly. Had there been a change in that, the minister had a responsibility to tell the Assembly. We didn't find out about that until after the estimates had been approved. It was brought to our attention by municipal authorities in this province.

MR. NOTLEY: Mr. Speaker, perhaps I could put a supplementary question. But before that, on the point of

order, I would say to you, sir, with great respect, that any questions which come up as a result of information not supplied in the estimates must surely be appropriate, if they meet the other conditions of the question period. Whether or not the minister wishes to answer them is up to him, but surely we have the right to put them.

So there's no misunderstanding, I would specifically ask the minister for clarification: when the estimates were being presented to this Assembly last week, did the minister know that in fact that change was going to be made?

MR. BOGLE: Mr. Speaker, in determining the best possible way to provide the service to residents of the province, I worked with officials in the department on several options, and I presented some alternatives to government caucus. One of the key things I was concerned about is that we have a program in place that would provide the maximum benefit for minimum overhead cost. During discussions which began taking place between officials in my department and various representatives from municipalities on the same day the ministerial announcement was made, which I believe was March 20, during that same afternoon information as to how we might — how we might — provide the assistance was clearly discussed with municipalities. Following input from various regional offices as well as from municipalities, that decision was firmed up.

But the initial question was how we could best provide the service. We received input both from our regional offices, as to their feelings of their ability to provide that service, as well as from municipalities across the province.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Was that decision firmed up prior to the opportunity of the minister, under the vote for the minister's office where he gave a summary of the activities of the department — was that decision already firmed up so that the minister could have in fact duly reported it to committee before supply was granted?

MR. BOGLE: I'll take that question as notice, Mr. Speaker, so that I can check my own records, because I recall our discussions on the estimates covered about a week, and I want to be sure that the information I'm providing is accurate. Therefore, I'll take that as notice.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether at the last opportunity, which was a week ago, the decision was in fact firmed up? If it wasn't firmed up when they began the estimates, was it firmed up when the final vote was taken?

MR. BOGLE: I've answered that question, Mr. Speaker, by indicating that we spent approximately one week on my estimates, and I'll certainly check and provide this Assembly with that information.

MR. NOTLEY: A supplementary question to the hon. minister. Is the minister in a position to advise the Assembly what assessment the government has made of the client/staff ratio in regional offices as a result of the extra workload that taking the applications for the day care subsidy will put on personnel who have other responsibilities? In fact, is the government in a position to advise the Assembly that people who are already overworked will not be further overworked as a consequence of this decision?

MR. BOGLE: Mr. Speaker, there will be some additional staff required, but very few in comparison with the number that would have been required had we provided the family subsidy program through Vote 10, having a completely separate staff to deliver that service.

MR. MUSGREAVE: A supplementary, Mr. Speaker. Could the hon. minister advise if, as it's alleged by some of the elected officials of the city of Calgary, day care service for people in Calgary will deteriorate after August 1 because provincial standards are allegedly lower than those of the city of Calgary?

MR. BOGLE: Mr. Speaker, two years ago when my predecessor offered to the two municipalities the option of licensing, one point was made abundantly clear: that the same set of standards must apply province-wide. One municipality, the city of Calgary, picked up that offer and provided the licensing through, I believe, three licensing officers, whose salaries were covered completely by the province. But it is clear that over the past couple of years the standards have been raised in Calgary — not with the consent of the province — and therefore we were moving to a position where a different set of standards was being applied in Calgary than in other parts of the province. That was not acceptable to the overall policy. That's one of the reasons the licensing is being assumed in that municipality, as it is in all other municipalities in the province, so that there's consistency province-wide and a base set of standards.

Mr. Speaker, if a municipality wishes to redirect its savings — and the city of Calgary has in excess of \$800,000 — if the city wishes to redirect those savings to its four municipally operated day care centres or to new day care centres, then they're certainly willing to do that. But minimum base standards will apply province-wide.

MR. NOTLEY: A supplementary to the hon. minister. The minister indicated there will be some additional staff. Is the minister able to advise the Assembly, since it wasn't given to the committee, whether we have an estimate as to the number of additional staff? And has there been any discussion with the Alberta Association of Social Workers on the impact of the decision?

MR. BOGLE: I'm not in a position to give estimates of staff. I think those figures are still being finalized. And there have been no discussions with the Alberta Association of Social Workers on this particular matter.

MR. OMAN: Mr. Speaker, a supplementary. An elected official in Calgary who generally tends to overstate the situation has said that Alberta has the lowest standards of day care in Canada. Could the minister comment on that statement?

MR. SPEAKER: With great respect to the hon. member, we've gone considerably in the direction of unwarranted debate in the question period. If we now start to debate comparative standards, we'll go further in the wrong direction.

#### **Municipal Finances**

MR. R. CLARK: I'd like to address my second question to the Minister of Municipal Affairs. It really relates to the kind of monitoring the province is doing with regard to the effects of the municipal debt reduction scheme. I

ask the question in light of reports emanating from the great city of Calgary which indicate that Calgary's municipal debt of \$300 million may exceed \$1 billion by '84 if the present capital works trend continues.

My question to the minister is: what kind of ongoing monitoring has the department or the government in place to assess the effects of the municipal debt reduction plan and the maximum amount of debt the municipalities can take on?

MR. MOORE: Mr. Speaker, I answered that question in part during the course of my estimates a few days ago. I said that we had been monitoring in a rather informal way the mill rates currently being established by municipalities across the province, but that we did not have an accurate and complete update of what was occurring in that regard this year because many of them have not been finalized.

Insofar as the debt reduction program is concerned, we do know there are many municipalities, particularly the rural ones, that have set a lot of the debt reduction money aside and have what might be referred to as their own heritage savings trust funds. With respect to the two larger cities, as I recall, Calgary utilized all their reduction funds in the repayment of debt, while Edmonton, because of different circumstances relating to water and sewer distribution to other communities, had some \$60 million left over after paying all their eligible debt. As I understand it, that has gone into their general revenue fund — but certainly is reflected in the fact that in Edmonton in particular, and I believe the case is similar in Calgary, there's probably no increase or at least no significant increase in the municipal mill rate in 1980.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. What plans does the minister have to give further debt reduction or assistance to municipalities in the province which are forced into large debt programs by rapid growth?

MR. MOORE: Mr. Speaker, first of all, municipal governments in Alberta have been financed by this government in a variety of programs to an extent unmatched anywhere else in Canada. That's a fact. Secondly, we have a situation where municipal councils in Alberta have at their disposal a municipal property tax base which is very extensive. I know in certain cases with regard to some very large scale projects like transportation, the municipalities have indicated that the property tax base is not sufficient to pave the way for moving ahead with those programs. But for that reason, my colleague the Minister of Transportation has under his jurisdiction a very massive program of assistance in urban transportation. My colleague the Minister of Environment has a very massive program of assistance in water and sewer distribution and treatment facilities on both a municipal and regional basis.

Now, Mr. Speaker, I can go on and on about programs that have been put together by this government over the last 10 years, including the property tax reduction program and a variety of others, to assist municipal governments. If the hon. Leader of the Opposition is asking me what we're going to do in 1982, '83, or '84, by expanding and elaborating on those programs, I can only say that that will have to await announcements that might come at those times.

MR. R. CLARK: Mr. Speaker, to the hon. minister. I take from that answer that municipalities, like the city of Calgary, really can't expect any additional help as far as municipal taxes are concerned until the next election.

SOME HON. MEMBERS: Oh, oh.

MR. MOORE: Mr. Speaker, the hon. member is reading what I think might be termed speculative reports with respect to where the city of Calgary might be five years from now with respect to a mill rate. It's useful for municipal governments to have their financial planning staff plan ahead in a long-range way and show them what the picture might be. After having considered all the things that might be done in Calgary, Edmonton, or any other municipality, I'm not alarmed that it does indicate some increase in municipal taxes will occur. Surely our ability as a government to respond, as we've done so often, to the cost of financing municipal services depends on those municipalities doing that kind of work. I can only say I am pleased that they are looking far ahead in their financial projections and are doing proper planning.

#### **Housing Officials' Proposed Trip**

MR. NOTLEY: Thank you, Mr. Speaker. I'd like to direct this question to the hon. Minister of Housing and Public Works and ask if he plans to visit Europe this summer in his official capacity.

MR. CHAMBERS: Mr. Speaker, yes, we are tentatively exploring that possibility.

MR. NOTLEY: A supplementary question to the hon. minister. Will it be the minister's intention to take any representatives from the province's building and development industry along with him on this mission?

MR. CHAMBERS: Mr. Speaker, in discussing the possible trip and its benefits, we decided that should we make the trip, it would be very useful to have industry representatives along. My department has had discussions with HUDAC and UDI in terms of providing representation. They indicated a strong interest and, I believe, have had representatives meet with representatives of the department to discuss the possibility.

MR. NOTLEY: A supplementary question to the hon. minister. Is the minister able to advise the Assembly whether any of the proposed representatives from either organization assisted the minister prior to the March 14 election, pursuant to either The Election Act or the election finances contribution Act?

MR. CHAMBERS: Well, in a general way, although I really don't know what the question has to do with the price of tea in Spirit River-Fairview. But yes, I believe two of the three industry representatives did participate. I might add, though, that the department requested the industry to nominate representatives. These two representatives are senior executives of their respective organizations. Furthermore, in their typically independent way, the industry insisted right from the start that, should they be invited and should they be elected to participate, they would pay their own way.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Did the minister take part in any of the

discussions, or were these exclusively between the department and HUDAC and UDI?

MR. CHAMBERS: The discussions and, in fact, evaluations going on of the various communities and projects that might be visited have been carried on with the department and with the other people.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise when the mission will be and what countries will be visited?

MR. CHAMBERS: Again, Mr. Speaker, as I mentioned earlier, the trip is tentative. We're evaluating a number of areas, and innovative and northern types of housing projects. Countries in which projects have come to mind that are being evaluated are Finland, Sweden, Denmark, West Germany, England, and Scotland. But again, the department is still in the process of evaluating these various projects and their potential, and assessing whether it's worth while for us to visit and examine any specific project. Until that time of course, we cannot really finalize the project, the schedule thereof, or even if we'll undertake it. But that evaluation is under way, and I would expect a decision within the next few weeks.

#### **Grain Terminals**

MR. MANDEVILLE: Thank you, Mr. Speaker. My question to the hon. Minister of Economic Development deals with inland terminals that the provincial government purchased from the federal government. Who allocates the space for grains in the elevators, the elevator companies or the government?

MR. PLANCHE: Mr. Speaker, I can't answer that question. I'd have to take that as notice.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is there a set of by-laws or regulations to govern the use of the terminals? Who sets up these by-laws or regulations?

MR. PLANCHE: Mr. Speaker, the terminals are set up as a private or independent company. Presently, their board of directors is government officials. That transition to the private sector will be taking place gradually, as these terminals are upgraded in electrics and cleaning. I really couldn't comment on the precise allocation of activities without taking that as notice also, unless the Minister of Agriculture would care to supplement that.

#### **Parole System**

MR. WEISS: Thank you, Mr. Speaker. My question is to the hon. Solicitor General. It has been brought to my attention by several of my constituents that a new parole system called temporary absence has been introduced in Alberta. Would the minister advise the Assembly if this is true? If so, was the policy implemented as a result of the recommendations of the Moyer report?

MR. HARLE: Mr. Speaker, there's not a new program. The temporary absence program has been in place for some considerable time. There has been some more formalization of some of the release procedures related to persons who are qualified under the temporary absence

program to be released shortly after they are received at a correctional institution.

MR. WEISS: A supplementary, Mr. Speaker. Do all convicted persons then automatically serve only one-sixth of their sentences imposed by the court?

MR. HARLE: No, Mr. Speaker. Perhaps I should first of all set out the criteria for all people who qualify for the temporary absence program. Inmates must be rated minimum security. There must be an absence of a pattern of violence. There must be an absence of serious mental or physical deficiencies which would preclude successful participation in community-based programs. There must be an absence of extradition or deportation proceedings or a Crown appeal. There must be an absence of outstanding charges of an equal or more serious nature than the current offence for which the inmate is incarcerated. The inmate must not be a suspended parolee, remandee, or awaiting transfer to a federal penitentiary. And the inmate must be not likely to abscond when released on temporary absence.

In the past, Mr. Speaker, the rule of thumb was that an inmate had to serve a third of his sentence. This created somewhat of a problem because there had been people released on temporary absence in very restricted instances prior to serving the one-third period of a sentence. Because of the rather *ad hoc* procedure for release, it was more structured a year ago.

The present provisions that apply to an individual who might be released after serving one-sixth are as follows. There must be an absence of a criminal record involving offences of a violent nature. It must be a situation where the continuation of confinement in a correctional institution will create undue hardship to the applicant or his or her immediate family. The deterrent effect of confinement must have been duly satisfied. The applicant's return to the community on a strictly controlled and conditional basis must not incur any serious objection by area residents or police authorities.

I might add that the conditions and controls which must be accepted by an applicant for such a program are as follows. At the end of each working day, for such periods as may be designated by the director, the individual must be prepared to return to the correctional institution, or to return to the institution for residence on weekends or for whatever periods may be deemed appropriate by the director, or to report in person to a correctional institution or a police lock-up at such times as may be set out by the director.

MR. WEISS: A further supplementary, Mr. Speaker. Would persons from rural areas have to return on a weekly basis, or are they permitted to be away for a longer period of time?

MR. SPEAKER: I'm somewhat concerned about the length of answer which appears to be necessitated by these questions. I would respectfully draw hon. members' attention to the *Standing Orders* which provide, in effect, that where it is anticipated that an answer is going to be lengthy, the question should appear on the Order Paper. The answer, of course, would then be given in writing.

MR. WEISS: Mr. Speaker, perhaps the minister would please clarify very briefly: does a person from a rural area have permission to be away from the correctional institute for more than one week at a time?

MR. HARLE: I would have to take that question as notice, Mr. Speaker. My understanding is it would not last that long, and in the vast majority of cases, after having served a sixth of the sentence, the individual must return to the correctional institution at night.

MR. R. CLARK: A supplementary question to the minister. I appreciate the minister's outlining the criteria for eligibility. My question to the minister is: in dealing with the criteria for eligibility in the program, is that information made available to the member of the judiciary, really as pre-sentence information, prior to a judge's decision on how long a person should be incarcerated?

MR. HARLE: Mr. Speaker, as I understand it, yes. There were situations created where under the one-third rule, and notwithstanding the one-third rule, requests were made by judges who would like to have seen the particular individual appearing before them released prior to the lapse of the one-third period. That was part of the reasoning that went on, to be able to have a program adaptable to individual circumstances.

I might say that as of May 14, yesterday, some 2,118 inmates were in the various correctional facilities operated by the Solicitor General's Department. Of that number, 314 were out on temporary absences, of which some 53 or 2.5 per cent of the total were out after having served one-sixth of their sentence.

MR. R. CLARK: Mr. Speaker, just one further question of the hon. minister. Were discussions held with the Alberta Federation of Police Officers prior to the program's initiation? I ask the question in light of representation reaching my office and concern being expressed to me by this group about some aspects of the program.

MR. HARLE: There has been a fair amount of dialogue with the various agencies involved in the judicial system, through the chief judge of what was the district court — now the Court of Queen's Bench — and with the various police agencies. Whether there was contact following the formalization of the rules I've just described, I can't confirm. Certainly all people involved in and affected by the corrections system had been aware of the fact that it was possible to be released shortly after being incarcerated in a correctional institution.

I think it is a program that has been successful in the eyes of most people, both police and members of the judiciary. In fact, there's a fairly good review of the program in the Moyer report. The Moyer report did contain the figure of one-sixth in suitable and tightly controlled cases, as I've described in the conditions which are applied.

MR. GOGO: A supplementary question, Mr. Speaker, to the Solicitor General. In addition to the criteria he's listed, could the minister advise the Assembly if the department consults with the police jurisdiction that represents the area where the inmate was living prior to being incarcerated? I've had several representations that this criterion should be added to the present ones. If it's not, would the minister consider adding it?

MR. HARLE: Mr. Speaker, that's a present requirement. Contact is made by the community corrections officials with the local police in the area the inmate is going back to. I might say that the corrections statute provides that an inmate who is out on temporary absence is still in

custody and is still an inmate, and that everywhere he travels is within a correctional institution.

#### **School Attendance**

MR. R. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Education, and I'm sure he'll be very brief in his answer. Not long ago the minister made comments with regard to compulsory education. The minister indicated that from his point of view, there were a number of children in the school system of the province for whom education should not be compulsory.

My question is: can the minister indicate to the Assembly the broad number of children that the department or the minister sees presently in the school system in Alberta who should not be subject to compulsory attendance?

MR. KING: I can be very brief, Mr. Speaker. I can't attach a number to that.

MR. R. CLARK: Mr. Speaker, a very brief supplementary. Is it the intention of the minister to move on the idea he put forward, or was the minister flying a kite?

MR. KING: I was flying a kite, Mr. Speaker. [laughter]

The hon. leader obviously read the first part of my speech; had he continued to the end of it, he would have noticed my remarks that I personally did not believe in compulsory or mandatory education, but that I thought it was so much ingrained in the community that I could exhaust all my efforts over the next four years trying to change that as a feature of the law, not be successful at it, and not be able to do anything else.

MR. R. CLARK: Agreed.

MR. KING: So the remark I made to the principals was that while I personally did not believe in it, it was not something to which I would be directing my attention.

MR. R. CLARK: Agreed.

#### **Water Supply**

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Minister of Environment. Has the minister had any reports from officials of his department as to whether there will be a shortage of water for irrigation in southern Alberta this year?

MR. COOKSON: No, Mr. Speaker, nothing direct in the office as yet.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Has the minister had any reports of possible water shortages in Alberta towns and cities this year?

MR. COOKSON: Mr. Speaker, there has been some correspondence with regard to several communities facing possible shortages of water. I can't recollect the specific areas. Veteran is probably one that's having possible water shortages.

#### **Forest Fires**

MR. LEITCH: Mr. Speaker, I would like to respond to some questions asked of me earlier in the House. The first, asked by the hon. Member for Camrose, was whether

er military personnel from the Primrose base were involved in fire-fighting.

Mr. Speaker, I do not believe that their personnel were actually involved in fire-fighting, but we have had assistance from the Department of National Defence in the sense that they've used their equipment to ferry personnel to assist in initial fire attacks and things of that nature.

#### **Natural Gas Pipeline Safety**

MR. LEITCH: Also, Mr. Speaker, I wanted to respond to some questions asked by the hon. Leader of the Opposition and the hon. Member for Edmonton Mill Woods about the work being done by the Energy Resources Conservation Board in connection with the explosion in Mill Woods some time ago.

I think the first question was what progress had been made in respect of the recommendation that the possible relocation of the line be considered. Mr. Speaker, that matter is now in the hands of consultants. We've asked for an independent consultants' report, and the report has not yet reached my office.

An additional question was: what progress has been made with respect to the board's comments about the depth of cover over the pipelines? The board has asked the companies having pipelines in the area to make a survey and submit the results of that survey to the board. I would expect the surveys to be in the board's hands relatively shortly.

I was also asked about the retroactive application of CSA standards to the pipeline. The board has been reviewing and considering the possibility of doing that, but has not yet completed its work.

I think the final question was: what progress has been made with respect to the recommendation for the setback of pipelines? There have been numerous meetings between board staff, the interagency planning branch of Municipal Affairs, and municipal officials. Those meetings are continuing, Mr. Speaker.

MR. R. CLARK: Might I ask a supplementary question of the Minister of Energy and Natural Resources. Is the minister in a position to indicate to the Assembly when the consultants' reports will be in the hands of the minister on this rather major recommendation of the ERCB with regard to relocation?

MR. LEITCH: I can't be definitive, Mr. Speaker. Actually that report was requested by the board, but I assume after the board has reviewed it, they will submit a report to me. I would expect it relatively soon, but I can't be more definitive than that.

#### **Parole System**

*(continued)*

MR. HARLE: Mr. Speaker, I'd like to supplement some answers I gave on temporary absence. I realize they were somewhat long, but I think it's important to add that the applicant must be gainfully occupied during absences. That means either seeking or maintaining suitable employment, or being enrolled in an acceptable vocational, educational, or any other legitimate training or treatment program.

## ORDERS OF THE DAY

MR. CRAWFORD: Mr. Speaker, I thought I would just add at this time a brief bit of information with regard to House business, in order that hon. members will have it early rather than late in the day.

Dealing first with tomorrow, if I might, I believe I indicated that committee study and second readings of Bills would take place. At about 12 o'clock, leaving about an hour, we propose to bring forward The Individual's Rights Protection Amendment Act, 1980, in order that the Minister of Labour can place his views on the record. Other hon. members who don't happen to speak during that hour would then be able to consider them over a day or so before taking part in that debate.

Coming back to the important business of this evening, Mr. Speaker, we believe second readings will certainly occupy all the time available tonight. I believe I indicated before that we would begin at 8 o'clock with Bill 50, The Mines and Minerals Amendment Act, 1980, and if there is time after that, with one or two exceptions — obviously The Individual's Rights Protection Amendment Act, 1980 — Bills on the Order Paper.

MR. R. CLARK: Might I ask the Government House Leader if it is the intention to call the question Friday afternoon on second reading of The Individual's Rights Protection Amendment Act, 1980, or simply to provide the minister an opportunity to speak to the House, then to adjourn debate in second reading?

MR. CRAWFORD: Mr. Speaker, by selecting the one-hour period, I thought it would be most likely that all hon. members wouldn't be heard, and the matter would still be available for second reading next week.

MR. SPEAKER: May the hon. Associate Minister of Public Lands and Wildlife revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

### head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. MILLER: Thanks very much, Mr. Speaker. It's my pleasure today to introduce to you, and through you to the Members of the Legislative Assembly, 21 grade 12 students from Lloydminster Comprehensive high school. They are accompanied by their teacher Mr. Abraham. He informs me this is an exceptionally good class, with some aspiring politicians in the group. They are seated in the members gallery, and I would ask them to stand and be recognized by the Assembly.

### head: MOTIONS FOR RETURNS

MR. HORSMAN: Mr. Speaker, I move that motions for returns 115 and 120 stand on the Order Paper.

[Motion carried]

119 Mr. R. Clark moved that an order of the Assembly do issue for a return showing, with respect to every trip made outside of Canada by employees or other persons acting

on behalf of a government of Alberta department, board, commission, or agency, which was paid for by public money during the fiscal year 1979-80:

- (1) the date of each trip,
- (2) the destination of each trip,
- (3) the purpose of each trip,
- (4) the name of each government employee or other person acting on behalf of the government who went on each trip, and
- (5) the total cost of each trip.

MR. R. CLARK: In moving the motion, I should say that the hon. minister has indicated a change with regard to dates, and I expect he will be making that amendment.

MR. STEVENS: Mr. Speaker, I've consulted with my colleague the Associate Minister of Telephones, and we have the information with respect to Motion 120 readily available, if the House would accept deletion of the dates "March 31, 1979" and "March 31, 1980", and replace those with the dates "December 31, 1978" and "December 31, 1979".

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: It was my understanding that the Assembly had ordered 120 to stand and retain its place, and that we were now dealing with 119.

MR. R. CLARK: Didn't I move 119?

MR. SPEAKER: I don't find the dates that are to be amended referred to in 119. Such a date is referred to in 120; 119 refers only to a year.

Is it the intention that notwithstanding that 120 has been tabled, you might say, it's now to be amended while it's still on the table?

MR. HORSMAN: Mr. Speaker, as a matter of clarification. It was the intention of the government to have Motions 115 and 120 stand and retain their places on the Order Paper for the time being, and that we would then proceed with debate on Motion 119 if necessary.

MR. R. CLARK: Mr. Speaker, I move Motion for a Return 119.

[Motion carried]

### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

218. Moved by Mr. Notley:

Be it resolved that the Legislative Assembly urge the government to introduce legislation providing for a province-wide system of rent regulation to take effect on July 1, 1980.

MR. NOTLEY: Mr. Speaker, in rising to move this particular motion, I think there is some sense of urgency. The present rent regulation legislation will expire on June 30. Therefore this Legislature, in my view, should take the opportunity to formally assess the question of whether rent regulation should be continued beyond its expiration on June 30.

Mr. Speaker, in advancing the case for the motion before the Assembly this afternoon, obviously the place



to begin is to look at the question of vacancy rates. When vacancy rates are quite high, the market place will normally work out an equitable balance between the tenant on one hand and the landlord on the other. But when vacancy rates drop very sharply or when there's a very low vacancy rate, then the balance of power shifts rather dramatically from a situation where you have some degree of equity to a position where the landlord has enormous power. Mr. Speaker, when you look at the question of vacancy rates in the province, there are rather serious indications of what I would say is an inadequate vacancy rate in our larger centres. In Edmonton, for example, if we look at the vacancy rates in apartment structures of six units or over, we have a vacancy rate of 2.7 per cent. The most recent CMHC figures for the city of Calgary for April 1980 indicate a vacancy rate of 12 per cent. Mr. Speaker, I would underline that these are for apartment structures of six units and over.

When you look at the vacancy rate in some other places in Alberta — we don't have recent figures in Lloydminster or St. Albert, but we do have Alberta Housing and Public Works figures from August 1979. The vacancy rate in St. Albert at that time was 0.6 per cent; Lloydminster, 0.2 per cent; and Grande Prairie, 0.2 per cent. Mr. Speaker, recently in the city of Grande Prairie, where as hon. members are well aware there has been substantial growth and development over the last number of years, and very speedy development over the last year, a study was conducted by that city's newspaper, the *Grande Prairie Herald-Tribune*. They don't pretend it's a totally comprehensive study. Unfortunately, we don't have any official form of monitoring in place, but the paper in a very public-spirited way did some work themselves. In their survey, they took a number of apartment blocks in the city of Grande Prairie and discovered that since August 1979 — we're talking about a period of nine months — single bedroom units in that city rose an average of 38 per cent, and double bedroom units rose an average of 46 per cent.

Again, Mr. Speaker, hon. members can question what the increases are. But there is no doubt that as long as you have a low vacancy rate, you're going to have pressure in the market place, and the market place cannot guarantee any kind of equity between landlords and tenants.

Mr. Speaker, what about the question of construction starts? Let me say that the announcement of programs by this government before the Legislature convened, as well as the announcement two weeks ago, will help in dealing with the question of increasing construction, no question about that. But, Mr. Speaker, it takes time to get apartment blocks under way. We have no guarantee that some of the major problems that stand in the way of apartment starts — I would say that while high interest rates are coming down at the moment, we have no guarantee that they're going to continue to come down. When we look at what has happened, Mr. Speaker, from the most recent CMHC figures we find that residential construction starts in the city of Edmonton are down 42 per cent from January to April 1979 to the corresponding period of this year. Apartment construction starts in this city are down 41 per cent in the same period. In Calgary, our neighboring city to the south, residential construction starts are down 34 per cent, and apartment construction starts are down 56 per cent. In urban Alberta generally — and this is population centres of 10,000 people or more — residential construction starts are down 37 per cent in the same period of time, and apartment starts are also down.

So, Mr. Speaker, we have on one hand falling construction starts; on the other, continued entry to this province of many additional citizens. People have estimated the inflow somewhere in the neighborhood of 5,000 per month. Mr. Speaker, my contention is that the inevitable result, notwithstanding the efforts of this government to increase housing and apartment starts, is that we're going to see a continuation of the crunch, particularly in our growth areas.

Mr. Speaker, one of the concerns I have, frankly, and one reason I think this motion is required, is that beyond the CMHC's work, we don't even have any effective monitoring system in this province. This question has been raised in the Legislature a number of times. For example, on March 31, the Minister of Consumer and Corporate Affairs said, "... we are not setting up a monitoring program with respect to rents ..." On April 25, "... we would not be setting up a formal system to monitor rents." Mr. Speaker, unless we do that, it seems to me that we're really not in a position to seriously evaluate the impact of the tight housing market, particularly in sections of the province where there is rapid growth. Of course, Grande Prairie has been cited before, but there are other communities as well, where the tight market situation has become extreme and a problem of real concern.

One point that I suppose needs to be made is that while certain initiatives have been undertaken by the government, the question really is: what happens to low-income people when rent controls are removed? I've listened to the chairman of the rent decontrol board, the former mayor of Edmonton, indicate that only about 10 to 15 per cent of the units in this province are presently under rent regulation. From the information I've been able to gather, I assume that information is correct. But, Mr. Speaker, just because 10 or 15 per cent of the units are under rent regulation, that should not lead us to the conclusion that we should cast aside rent regulation. Because the people who live in these units are, for the most part, those of our citizens who are least able to bargain effectively in the market place. By and large, they're senior citizens, students, native people, the working poor, single parents: in my view, people who need some reasonable protection by law.

It's one thing for those of us in society who have some bargaining position to be able to meet the challenge of a tight market place, whether we be in well-organized trade unions, professional organizations, members of the Legislature, or whatever the case may be. But for the people in our province who are not as fortunate, it seems to me that we have to look very closely at what we do when we remove the remnants of rent regulation. Because the very people who are going to be most affected by the removal of rent controls on June 30 will be those in our society who are not sufficiently organized to be able to fend for themselves.

Mr. Speaker, there have been a number of government announcements. I should just say as a matter of interest to members of the Assembly that when people indicated some interest in this rent control petition — the first one I introduced in the House a few weeks ago, and the petition I introduced today — I rather suspected, after the government's announcement two weeks ago, that we wouldn't find too many additional petition forms coming in. But quite the contrary. In the last two weeks since the government's announcement — and certainly the government did everything they could to make sure the announcement had massive punch. The announcement

was on the day we were going to bring in the Social Services and Community Health estimates; I don't know if that had anything to do with it. Nevertheless, it got widespread coverage. Notwithstanding that widespread coverage, Mr. Speaker, by far the greater part of the petitions I introduced today came in after the government's announcement.

Mr. Speaker, I want to deal with the government's response. It leads me to the conclusion that we need some form of rent regulation. Clearly, the government is moving on one of the two major aspects of the rental accommodation crunch; that is, the supply of units. No question about that. I think the other major part of that equation is the price of units. The programs that have been announced are useful as far as they go. But I submit, Mr. Speaker, that these programs in themselves are not going to solve the problem. For example, the Alberta municipal housing incentive program, replacing the federal municipal incentive grant program, will have some effect in certain rural communities. But in my discussion with city authorities, frankly I don't think it's going to have any impact at all in Edmonton or Calgary. That doesn't mean it's not a good program in those areas where it will be helpful. But it's going to have minimal impact in our two major cities. The Alberta rental investment incentive program replaces, at a lower level of subsidy, the much talked about federal capital cost allowance. While that's useful, at the same time, Mr. Speaker, I don't think we should jump to any conclusion that it's going to single-handedly solve our housing problem.

What about some of the other components of the government's program? We have the senior citizens' renter assistance program, an increase from \$500 a year to \$1,000 a year. Mr. Speaker, that works out to an increase from \$41.67 a month to \$83.33 a month. Fine, as far as it goes. No question about that. But in the absence of any form of rent control, what guarantee is there that rents will not simply go up by the amount of that increase in the renter assistance program? What guarantee is there that the recipients of this increased funding for senior citizens will not — the senior citizens will still be behind the eight ball after rent increases have occurred. The government will also point out the increase in the assured income program. We've debated that before. But again, Mr. Speaker, with some of the rent increases brought to my attention — well over \$150 a month in the last year — that's going to take up more than the total increase in both these programs.

It seems to me that the area that requires underlining at this time is that while we are doing certain things for senior citizens — and I applaud that — and while there's a modest increase of \$30 a month in the assured income for the severely handicapped, what about those people who might be described as the working poor, for want of a better expression. Those people, who are not on assistance, who are earning just enough to get by, yet not enough so they can save money to meet the conditions of some of the other government programs in place — which I'm sure in a few moments time we'll have regaled; and many of them are useful programs — are the people who are going to be caught without anything. Frankly, I was expecting we would have some kind of announcement on this question of a renters' tax credit across the board, not just as it applies to senior citizens, but especially a program designed to help the working poor in our province. Mr. Speaker, we don't really have that kind of program. Even if we did — and I realize there are two options here. One is a form of subsidy, so we can cushion

the impact of rising rents on low-income groups. That's one option. The other, very clearly, is the continuation of some form of rent regulation with provision for pass-through of higher costs, and what have you.

The problem I have always had with the route of subsidies is that if you have a tight market situation, there's really no way you can guarantee that rents won't go up by the total amount of the subsidy, or even more. In fact, you're just using the group you claim to be helping as a conduit, if you like, to transfer money into the hands of landlords who are in a position, because of the rent market, to increase the rent beyond reasonable levels. As I look at the options and very carefully examine the alternative of some kind of subsidy program, I certainly feel it would be better than nothing at all. But I would argue, Mr. Speaker, that in the final analysis it really isn't a substitute for rent control itself.

Mr. Speaker, the major argument about rent controls, that we've gone over and over again, is that if the province continues a system of rent regulation, in actual fact we're going to dry up the construction industry as far as residential and apartment construction is concerned. Of course it's important to note — I hardly need remind members of this Assembly — that new construction has always been exempt from rent regulation. But sometimes in the debate that takes place in public, there is some confusion on that score. The suggestion has often been made that rent regulation would apply to all units. Well that has never been the case. That was made very clear by the legislation this Assembly passed in 1975. For that matter, in the fall of 1975, when the then Minister of Finance and the Prime Minister indicated they wanted a form of rent regulation across the country, they very clearly exempted new construction.

Mr. Speaker, during discussion of the budget, I looked at what happened when rent controls were imposed in this province. I don't think the statistics I intend to give the Assembly today lead me to the conclusion that rent controls are going to boost apartment construction. But it does seem to me to go some distance to argue against the proposition that rent controls will totally destroy the construction of new rental accommodation. In 1976, the first full year of rent controls, Edmonton residential construction was up 43 per cent; Edmonton apartment construction, up 159 per cent; Calgary residential construction starts, up 44 per cent; Calgary apartment construction, up 138 per cent; urban Alberta residential construction, up 43 per cent; and urban Alberta apartment construction, up 120 per cent. These figures are from Central Mortgage and Housing Corporation. Mr. Speaker, during 1977 and 1978 — the decontrol period commenced July 1, 1977 — the province continued to enjoy some encouraging news, but at the time the rates of increase began to slip gradually. By the time we get into decontrols in 1979, we find that the direction is clearly the other way: Edmonton residential construction, down 28 per cent; Edmonton apartment construction, down 35 per cent; in Calgary, down 19.5 per cent, apartment construction, down 33 per cent.

Mr. Speaker, no one is seriously going to suggest that rent controls will encourage development of rental accommodation. But from available evidence that I've been able to obtain from CMHC as well as other provinces, I don't think there's really any argument that rent controls seriously discourage investment in rental accommodation. It seems to me that when one looks at the facts, the major reason for the decline in rental accommodation was when the prime commercial lending rates hit 12 per cent in

1979. We then saw a precipitous drop. There's no question that high interest rates are going to lead to a real slowdown in construction of residential accommodation. I think other factors aggravated the trend; for example, the cancellation of the federal capital cost allowance. No question about that. But the point should be made that the decline was already in progress. So when people say to me that if we bring in rent controls we simply aren't going to get to first base and that we're going to seriously dry up the capital market, from the evidence I've seen at least, I just don't think that argument can be seriously defended.

Mr. Speaker, what are other provinces doing? Let's take a look at what is occurring elsewhere in the country. I know that hon. members in this House like to see Alberta almost as an island unto itself, but let's take a look at what other provinces are doing. Only Newfoundland and New Brunswick have no form of rent regulation at this time. That's not surprising in the case of either province. I say this with a certain amount of regret, but the economies of both provinces are sluggish at the moment, although we hope that will change with respect to Newfoundland as a consequence of some of the oil discoveries off the Grand Banks. But at this stage of the game, it's certainly no secret that the economies of both provinces are in some difficulty. And where you have a very, very low rate of population increase, or in some cases a decline, I suppose there's no need to get into a sophisticated, or even a reasonably unsophisticated form of rent regulation, because the market place will work.

But that is not the situation in other parts of Canada, where we have urban growth at least. Ontario, for example, has a form of rent regulation. Rent regulation is ongoing in Saskatchewan, but it's based on the vacancy rate concept, which in my view is good. There are other types of rent regulation in other provinces, all designed to ensure at least some equity between tenants on one hand and landlords on the other.

Mr. Speaker, I would like to conclude my arguments in favor of this resolution by saying very clearly to members of the House this afternoon that most landlords in this province are reasonable people who are not extracting an unreasonable rent. In fairness, I think that has to be said. When you don't have a situation in place where the market place itself can work effectively, you really don't have the balance required to preserve a degree of equity between the tenant on one hand and the landlord on the other.

The net result is that you have some landlords who are able to increase rents by prohibitive amounts. I had a number of letters, and I'm sure all members have received letters. I was going to quote some of the letters, but I think I really needn't do that, because I'm sure members have had representation from their own constituents about examples where increases have been downright scandalous, where landlords have taken advantage of the market situation. I underline, Mr. Speaker, that not every landlord does that. Probably the majority doesn't. But the fact is: when the market place can't work, surely we shouldn't leave it to the consciences of individuals to determine whether they're going to increase the rent beyond reasonable bounds.

I say to members of the Assembly that when one carefully reviews the options, a continuation of a form of rent regulation — albeit with provision, as this Legislature adopted in 1975, that legitimate cost increases could be passed through, with appeal provisions — is the only way we are going to be able to protect those Albertans

who for the most part are today living in rental units now subject to rent regulation. If we remove rent regulation, essentially we're going to be saying to thousands of Albertans who aren't in a position to fight very effectively for themselves, that this government really has no program for the working poor — there's a program for other people, but no program for the working poor — and that we aren't going to be able to guarantee anything other than the hope that if your rent skyrockets in one place, maybe you can go across the street.

Mr. Speaker, when vacancy rates are as low as they in Grande Prairie at the moment, or in other growth centres in the province, or in Edmonton or Calgary — when the vacancy rate is 12 per cent in the city of Calgary, "across the street" is very difficult, and not really workable.

That being the case, Mr. Speaker, I commend the resolution to hon. members of the Legislature for their consideration this afternoon.

MR. MANDEVILLE: Mr. Speaker, on making . . .

MR. SPEAKER: I believe the hon. minister caught the Chair's eye first.

MR. KOZIAK: Thank you, Mr. Speaker. I did want to get into the debate on this motion, put to the Assembly's attention by the hon. Member for Spirit River-Fairview as a follow-up, I would imagine, to Bill 211, The Temporary Rent Regulation Measures Amendment Act, 1980, which he introduced earlier in the session.

Mr. Speaker, I do not intend to spend much time recalling to hon. members the 10-point program the government announced to assist in the provision of additional accommodation in this province, and at the same time to assist those less fortunate amongst us in the payment of rents these individuals find they must pay. I think it's important to remember that a number of excellent programs were announced by my colleagues the hon. Minister of Housing and Public Works, the Provincial Treasurer, the Minister of Social Services and Community Health, and the Minister of Municipal Affairs. All of these lead towards encouragement, whether it be with the \$1,000, \$1,500, or \$2,000 grant per unit encouragement to municipalities to move their planning process in a more favorable way, to have more units come on stream; whether it be the 5 per cent tax incentive announced by the Provincial Treasurer, to encourage developers to develop; whether it be the additional programs available for senior citizens' housing; or whether it be additional programs for non-profit organizations, those of the working poor who might not otherwise be able to afford.

As a matter of fact, the comment made by the hon. member about the working poor was interesting. Through the chairman of the rent decontrol board, I obtained some statistics on vacancy rates, in Edmonton particularly, for the Edmonton Housing Authority, which provides accommodation for what you might call the working poor. In January 1979, the vacancy rate in Edmonton in these accommodations was 6 per cent, and at that time the maximum income level for entry into these premises was \$12,500, plus \$500 for each child. So at that point there was a vacancy rate of 6 per cent. Subsequently, Mr. Speaker, the limit of \$12,500 was increased to \$16,000. When that increase came into effect, the vacancy rate dropped.

So when we talk about the working poor, let's keep in mind the income levels that now must be reached before one is excluded from this type of accommodation. Those

income levels had to be increased substantially, because there just weren't sufficient numbers of working poor to take up the accommodation then provided. We've provided for 250 additional units each in Edmonton and Calgary, through a substantial program that my colleague announced. Mr. Speaker, all our programs are directed towards the increase in the number and variety of available accommodations for Alberta citizens over the next number of years as the population continues to grow, although our expectations for growth may be dampened somewhat by present events in progress.

One of the interesting aspects of the programs announced — and this was one of the earlier ones, that involved over \$0.5 billion to the Alberta Home Mortgage Corporation for 5,500 units under the Alberta family home purchase program and 4,500 units under the core housing incentive program. For the 5,500 units under the Alberta family home purchase program, I was a little concerned that notwithstanding the fact that the program had been in existence for some time — and hon. members are aware that this program provides the opportunity for Albertans to purchase their own housing at a greatly subsidized interest rate. For the lowest level of income permissible, that interest rate can go as low as 6 per cent, which is a substantially lower interest rate, having regard to present market rates. I was concerned, Mr. Speaker, that not enough attention was given to this program, and that people seemed to ignore completely that this program existed and that we had enriched it substantially. At the time, I suggested there were other opportunities for tenants, and those opportunities included ownership. With the programs we have in place, tenants could in fact buy their own homes.

Notwithstanding my expression of concern and the fact that very little attention was found in the media with respect to these programs, I am heartened by advertisements that now appear, showing the developers in this province building homes to meet those particular purchasers. As a matter of fact, from time to time I receive at my home various documents from realtors. The Permanent real estate puts out a catalogue, their Edmonton home buyers' guide, spring 1980 edition. They advertise: in the west end, for \$47,000, \$2,350 down and as little as \$226 a month mortgage payments.

Mr. Speaker, ownership is not out of reach of the citizens of Alberta, if they choose that particular method of providing for their own accommodation. We've done that with the programs in place. I'm sure hon. members will have seen ads like this: Nu-West offers renters opportunity to own, and afford it; subsidized ownership for as little as \$2,743 down and payments as low as \$320 a month; Why rent? \$3,429 down; three-bedroom town-home with basement, \$320 a month; three-bedroom townhouses in Clareview, \$286 a month. They go on and on. These are recent newspaper advertisements that show there is the opportunity; there is the alternative to renting. That alternative of ownership is within the reach of the large majority of those Albertans who fall within the income categories the program is developed for. I'm sure other hon. members will want to speak to the value of the programs we've announced over the course of this spring session. I won't take much time there.

However, in response to some of the remarks by the hon. Member for Spirit River-Fairview, I'd like to indicate my grave concern with the approach he's taking. My concern hasn't diminished at all over the period of time since I assumed this responsibility. From the beginning, I advised that it was our intention to live with the legisla-

tion we passed in the spring of 1977, The Rent Decontrol Act, which provided for the elimination of rent controls as of the end of June this year. I've been consistent in that for the entire time I've held this office.

Mr. Speaker, my readings, the information I have received, make me even stronger in the position I held at the outset. Rent controls should expire. There does not seem to be any evidence anywhere that rent controls over an extended period of time are beneficial to anybody, including tenants. Studies, by a number of economists and learned people, of five countries that have had rent controls, in some cases up to 50 years — England, France, Austria, United States, and Sweden — have all concluded that rent controls are devastating. As one person said, rent controls may put a ceiling on your rents, but they won't put a roof over your head.

Mr. Speaker, this view contrary to rent controls is not held only by economists who might fall sort of into the centre or right-hand side of the political sphere. That view is also held by economists who fall on the left of the political sphere, including Nobel prize winner Gunnar Myrdal:

An important architect of the Swedish Labor Party's welfare state. [his feeling] was that "rent control has in certain Western countries constituted, maybe, the worst example of poor planning by governments lacking courage and vision." Fellow Swede and fellow socialist economist Assar Lindbeck's . . . [feeling was] "in [most] cases rent control appears to be the most efficient technique presently known to destroy a city — except for bombing."

MR. SPEAKER: With great respect to the hon. minister, the distinguished Swedes he is quoting are not, as far as I know, members of this Assembly.

MR. NOTLEY: I would welcome them.

MR. SPEAKER: The authorities in this Assembly, as I've mentioned once before, are the members themselves. However, that would not raise any objection to any, perhaps, Swedish statistics the member might like to use.

MR. KOZIAK: Mr. Speaker, I used those quotations only because — apart from their politics, which I do not agree with — I wanted to indicate that I fully agree with the comments of those two gentlemen. They said it in words I could not, and I thought I'd choose theirs. But I recognize that the Speaker's ruling is in order. I won't question that.

I listened to the hon. Member for Spirit River-Fairview when he said the poorest people are the ones in the 10 per cent of suites that are controlled. Of course, he didn't provide us with a survey that concluded that. If he attempted such a survey, I'm sure he would find in those accommodations some who could least afford high rent. But he'd also find living in those accommodations many who can well afford the market rent.

I was surprised, by a remark I received from one official in the department, who attended a conference on this very topic in British Columbia early this month. They found that one economist earning \$100,000 a year was living in a rent-controlled suite, paying \$210 a month. I suppose that would be one of those the hon. member would like to protect in the extension of rent regulations; one of those \$100,000 a year economists paying \$210 a month, less than the market value of the premises.

Mr. Speaker, the hon. member argues that rent con-

trols in this province did not adversely affect construction of new premises. Taking that position, he suggests that an extension of rent controls, for however long, won't affect construction of new premises in this province. He seems to rely on certain statistics to support his position. I'm going to get back to that, Mr. Speaker, but I thought I read recently, and perhaps I heard it from the hon. member's lips, that we were to expect a petition in the third week of this month that would force the government to its knees and have it reintroduce rent control in this province. That petition was going to be one of the largest petitions ever put together in this province. A member of his party suggested — and this was after our announcements just two weeks ago — that at least 70,000 names would be presented in a petition to the Legislature. Today we received a petition of 15,308, about 20 per cent of what was promised.

Mr. Speaker, that's an indication of the politics the hon. member brings to this Assembly: promises that are not kept, promises that never materialize; That seems to be the difference between the politics that hon. member brings to this Assembly and those we bring to this Assembly. Mr. Speaker, our promises are kept. When we say that rent controls end June 30, 1980, the people of the province of Alberta can expect that promise to be kept. They will construct apartments, they will plan their developments, knowing those promises will be kept. That's why construction did not end. They expected a temporary program, and they expected that temporary program to end.

Let's take a look at what's happened in British Columbia, where the party the hon. member represents in this Assembly introduced rent controls in 1972. That rent control system has continued with certain modifications and there are no expectations for its end, whereas we have the end in sight within a month and a half. Since 1972, the population of British Columbia has grown from 2,185,000 to 2,587,000, an increase of 402,000 or 18.4 per cent. That's more than the Canadian average. In the same period, the population of Canada increased from 21,569,000 to 23,742,000, an increase of 2,173,000 or 10.1 per cent. So in that eight-year period, the British Columbia population increased 18.4 per cent; the Canadian population increased 10.1 per cent. One would imagine that with that type of population growth, certain housing pressures would be put on that province.

But let's compare Alberta. In that same period, the population grew from 1,628,000 to 2,031,000, a 403,000 increase. In that eight-year span, the population of Alberta increased by 1,000 more than British Columbia. On our base, that amounted to a 24.8 per cent increase, one-third higher than the population increase in British Columbia.

What's happened with respect to vacancy rates, Mr. Speaker? Well, let's take a look at the vacancy rates; we've just got the recent CMHC figures. The Canadian vacancy rate: 2.8 per cent. Now, one must keep in mind that you can produce vacancy rates of varying percentages, depending on whether you include private and public accommodation, whether you include or exclude duplexes, whether you include premises that have been built within the last six months but not occupied. But in my comparisons I'm going to use statistics that are constant for Canada. This is for April, last month: Canada, 2.8 per cent; Edmonton, 3.6 per cent; Calgary, 1.9 per cent. But what's the vacancy rate in British Columbia, which has had eight years of rent controls and no indication of expiration? In Victoria, it's 0.1 percent; in Vancouver, it's

0.2 per cent. [interjections] Mr. Speaker, the vacancy rate in Edmonton is 36 times the vacancy rate in Victoria and 18 times the vacancy rate in Vancouver. That's what rent controls do.

Mr. Speaker, the hon. member is suggesting that we should bring in rent controls to lower the vacancy rate. [interjections] That's not what he said. He said, increase the vacancy rate. But that's what it will do; it will lower the vacancy rate. Then what kind of problem have we got on our hands?

Yes, Mr. Speaker, I too am concerned — and I've mentioned this — about the rights of tenants, the ability of tenants to pay for the accommodation they need. I, together with my colleagues in this Assembly, have reacted with that 10-point program. That program will be extremely effective in accomplishing what we must accomplish in this province over the next number of years. I have no doubt that our hearts are in the right place. The hon. Member for Spirit River-Fairview's heart is in the right place. But I don't know about the rest of his anatomy. [interjections]

Other members will wish to speak more specifically to some of these programs. But I want to conclude by expressing a real concern with the concept the hon. member brings to this Assembly today. I have responsibility for The Unfair Trade Practices Act, which was passed to establish conduct we expect to be adhered to by people doing business throughout the province of Alberta. When we passed The Unfair Trade Practices Act in this Legislature, we wanted to develop a certain morality in business. That morality included the concept that, under the Act, a supplier should not make representations to induce a consumer to enter into a consumer transaction when those representations are not correct. Now those words do not appear in that form in the Act, but that is the concept embodied in this legislation. We do not want the consumer to be encouraged to enter into a consumer transaction on the basis of presumptions, assumptions that consumer makes, having regard to representations the supplier makes.

Mr. Speaker, we in the province of Alberta made certain representations to the people of this province. Those representations were that rent controls would end on June 30, 1980. On the basis of those representations, people said, okay, we will in fact build apartments; we will take our money and invest it in apartments, because we know the government has set a course of action; they are going to decontrol, with rent regulations expiring on June 30. On that basis, they entered into a transaction; they made a decision.

What the hon. member is suggesting here, which is extremely dangerous — he's not talking about maintaining controls only on people who were controlled; he now wants to control everybody. He wants to control all apartments in the province. That is the kind of banana republic thinking that creates problems for governments, not just next year or the year after that, but for decades. Because then the public cannot trust government; If we've reached the position where that's the kind of philosophy we're preaching, that the public cannot trust government, we're in deep trouble, because we can never expect to demand trust from business, labor, from people out there. That is my greatest concern with the resolution before us, Mr. Speaker, and I urge all hon. members to oppose it vigorously.

MR. MANDEVILLE: Thank you, Mr. Speaker. Act III. [laughter]

AN HON. MEMBER: It's a hard act to follow.

MR. MANDEVILLE: Just a few comments on resolution 218. We supported rent controls when they came in, in 1975. They came in on a temporary basis to control inflation. I don't think they have served a purpose that's been really beneficial to the people of this province. Price and wage control also didn't serve a purpose. It was definitely a trial-and-error attempt to control inflation. Again, we supported rent decontrol when it came in, I believe in 1977. I think we have to follow this Rent Decontrol Act, because at this point in time we've taken controls off some of our rental accommodations in the province. So I certainly can't say I want to continue with rent controls in the province.

I think inflation is one of our big problems with accommodations. Inflation is growing at such a rapid pace. I appreciate the 10-point program the government's come up with to increase our rental accommodations and housing in the province. However, if we'd have made rent controls work, we should have brought in this 10-point program in 1975, and then we certainly would have solved the problem. Our vacancy rate would be in a position where supply and demand would take care of the rent increases. But I think that trial-and-error legislation to try to control certain areas or certain restrictions in the province or nation, is a fallacy.

We're now trying to control inflation by increasing interest rates. Thank goodness, the people have come to grips. They've realized that we're not controlling inflation. What we're doing is detrimental. Increasing our interest rates is certainly detrimental to the housing industry. It has certainly unemployed a lot of our people in construction, across Canada and in the province of Alberta. I have talked to contractors who just can't operate with interest rates the way they are. Some of our contractors who are building homes and apartment buildings, are going into receivership and bankruptcy as a result of high interest rates. So this type of thing is slowing down our construction and not keeping our accommodations to where they belong.

So many times you will see where an applicant will apply for a mortgage, and they can't afford a home. Why can't they afford a home? Because the interest rates are too high; they can't make the payments. So they can't get into a home they would like to get into. So our interest rates are certainly causing a lot of our problems today as far as the entire economy is concerned, let alone accommodations for our rental people.

As the minister has indicated, in 1975, when we brought in rent controls, there was less than 1 per cent vacancy in the province of Alberta. Right now in Edmonton, there's a vacancy rate of 3.6 per cent, and in Calgary, 1.9. So we have increased it to a degree, but I think we have to come up with a better vacancy rate than this, in order to make supply and demand work in this province.

We have done some research in our office in regard to rent increases. We didn't find it as dramatic as in some of the news releases we read, where people were suffering from large increases. We surveyed 100 renters, 50 each in Edmonton and Calgary, and asked them if they had had increases in the past six months, and were expecting another increase in the near future. Mr. Speaker, 85 per cent of them had increases of \$30 or less; 85 per cent of future increases were expected to be \$52 or less. Keep in mind that some of the landlords who increased rents were caught in a bind when rent controls came on, and weren't getting realistic returns on their investments at that point.

Mr. Speaker, I'm not saying there aren't problems as far as high rents are concerned. There certainly are. There are undesirable areas where landlords are increasing rents, in some cases where they shouldn't be. I appreciate the programs the government's come up with. There's a program for senior citizens. However, some low-income Albertans can't pay the rents they're faced with today. We have to come up with some assistance in that area. I'm saying that we have to increase the supply. We have to take methods of doing this. The capital cost allowance is a good step. The \$0.5 billion that's been put into housing in the province of Alberta is great. I think one area that's going to help more than anything else is where the Minister of Housing and Public Works came up with the \$10,000 renovation program for citizens who want to rent out their homes. They can fix up their basements and rent them out. I think this will help alleviate some of the problems we're facing as far as rental accommodations are concerned.

Another area that could certainly help as far as assembling land is concerned, and in construction, is to work through some of the red tape we have when we're developing a project to develop rental accommodations as well as housing. It takes so long to get a development through. With interest rates the way they are now, it certainly stifles contractors and developers getting involved in building accommodations in this province. I hope there will be some way we can streamline the area and get through the red tape, so we can get our subdivisions through at a far more rapid pace than at the present time.

Another area that's just been announced is the front-end servicing. That's going to work. It's going to work, and it's going to help. It's going to help considerably if we can get some front-end servicing, especially in our smaller centres. The province has come up with a good program in that area, so we can front-end service and get some land banking, so we have land available for our contractors so they can build accommodations for people of this province. They've got to be built at a fast pace, for we have immigration coming to Alberta at a rapid pace.

Another small area I would like the Minister of Consumer and Corporate Affairs to look at is the 6 per cent that landlords are paying on deposits now. I think that's unfair. I think we should take a look at that. I realize it's a small item, but it's an area I think we should have a good look at.

In conclusion, Mr. Speaker, I would like to say: Albertans don't need rent controls; we need rental housing in the province. Let's help aid the free market, and not oppose it.

Thank you.

MR. OMAN: Mr. Speaker, lest all Swedes be thought to be on the left side of the spectrum, I want to give you some more Swedish wisdom from the right side, being of that origin.

As the hon. Member for Spirit River-Fairview was making his motion and his comments, I was reminded of a flashing sign that I think is on Jasper Avenue somewhere around 112th Street, which says, "Experience is a wonderful thing. It enables you to recognize a mistake as soon as you've made it again." If we were to accept the motion of the hon. member, this is about what we would be doing: making the mistake again. Simply because other people are making mistakes never provides an adequate reason to go ahead and do the same thing. So because other provinces may be doing this, I don't think

we should do it as well.

A number of points have been made, but it seems to me that the way to guarantee rent raises and low vacancy rates is simply to put into operation a continuation or extension of our rent controls. Investment money tends to flow to its area of best return. About two months ago, guess, my wife and I were visiting in Phoenix for a week. I met an acquaintance down there who used to live in Calgary, who is in the real estate business. He has gone down there because he has found a better place to invest his money. One of the questions he asked me was: are you going to take off rent controls, or are you going to bow to political pressure and allow them to continue? Because, he said, as soon as you take them off, and you can persuade me of the matter, I'll be back in Alberta with investment money. In spite of our minister's sense of confidence, I think there is indeed a credibility factor involved here. As soon as people are convinced that we're going to do what we said we were going to do, they're going to be here in greater numbers with greater amounts of money.

You cannot, I think, ignore a law that has ruled over world business transactions, if you will, from time immemorial; that is, that the law of supply and demand really determines what's going to happen. It's like the Ten Commandments: you can tinker with them all you want, but inevitably you have to face up to the facts and the ultimate truths.

I mention to the Assembly again — I've done it before — the experience of the city of New York. When I was finance chairman of the city of Calgary, we were very interested in what happened down there.

I take it, Mr. Speaker, that the time is about finished. May I have the agreement of the Assembly to very briefly finish my statement?

HON. MEMBERS: Agreed.

MR. OMAN: Back in the second World War, when housing was in very short supply in the city of New York, that city imposed rent controls and, to my knowledge, has never taken them off. I think what happened is a significant lesson, and perhaps backs up the statements of the so-called Swedish authority who said the best way to destroy a city is to impose rent controls. There was no incentive to keep those buildings in shape. As a result, they went downhill. The rents did not rise in comparison to the costs. Today, many of those buildings have been abandoned, literally. They are not habitable. The result was that large portions of revenue-producing property, to both the investor and to the city, were cut off. Also, many of those places, that are being inhabited today, are rundown, rat-infested, and crime-ridden. They are areas where I think people wouldn't want to live. If they were in our cities, we'd shut them down. I think it is a very real example of what can happen when you impose rent controls in the first place, and then don't lift them when they should be lifted.

Mr. Speaker, I'll honor the time and end there. But I cannot see — while I don't impinge the hon. member's motives, I think his methods will actually destroy the possibility of the good he wants to impart to people. Therefore, I cannot support his motion.

MRS. CHICHAK: I beg leave to adjourn debate, Mr. Speaker.

MR. SPEAKER: The debate is of course automatically adjourned by operation of the rule.

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

**Bill 204  
An Act to Amend  
The Highway Traffic Act, 1975**

MR. D. ANDERSON: Mr. Speaker, I move second reading of Bill 204. I would like to submit to this Assembly three reasons why this particular piece of legislation should be enacted.

The first is to protect the children and youth of Alberta by making it mandatory for those under the age of 18 to wear a seat belt or child restraint device while travelling in a motor vehicle. The second is to supply an educational initiative through which individuals in our community, regardless of age, may be encouraged to use seat belts in coming years. And the third, by implication, Mr. Speaker, is to allow individuals over the age of 18 to make their own decision with respect to the use of seat belts.

If I may, I would like to take each of those points in the order in which I've outlined them. First, dealing with protection of the young, the children of our community, I would like to very briefly go over information respecting the general use of mandatory seat-belt legislation. In my opinion, there is indisputable evidence to suggest that in most cases the use of seat belts is beneficial to individuals on highways. I can quote statistics which now result from mandatory legislation in Saskatchewan, British Columbia, Ontario, and Quebec, or from European countries which have had that kind of legislation for a number of years. However, I think it would suffice to quote from an Alberta Medical Association bulletin dated April 6, 1978.

A study conducted by the Alberta Transportation accident investigation team reported that of 58 highway deaths in Edmonton area in 1977, 21 (36%) would have been prevented had seat belts been used.

It further states there is strong evidence that 53 per cent — and I underline that — a little over half the deaths which result from automobile accidents in Canada could have been prevented if drivers and passengers wore a combination lap and shoulder harness. Mr. Speaker, I think that deals generally with the argument whether seat belts are beneficial. I think it is accepted by experts throughout the world that that is in fact the case at this point in our history.

The other question which inevitably has to be dealt with in this situation is the enforceability of mandatory legislation. I would have to say categorically that it's my personal opinion that generally speaking such legislation is not enforceable. In my opinion, police cannot, nor should they, sit on top of buildings with binoculars and try to catch unsuspecting motorists not wearing seat belts. Indeed, our police forces have much better things to do than that. A year ago, that concept of the lack of enforceability of this legislation would have led me to say: if not enforceable, then why legislate? It's because of the accumulated evidence in the last number of years from jurisdictions which have enacted such legislation, which shows that despite the fact that police are not strongly enforcing legislation — in fact, in some provinces almost not at all — the usage of seat belts has increased dramati-

ically. I quote from a government of Saskatchewan news release of August 13, 1979:

The percentage of vehicle occupants wearing seat belts increased 10 per cent over [the previous] year's survey to 64 per cent [of the population].

Sixty-four per cent.

With the exception of passengers on northern highways compliance with the seat belt law has increased to [almost] 83 per cent.

Mr. Speaker, that is a dramatically greater usage rate in the province of Saskatchewan than we have in the province of Alberta.

With that, I would like to leave the general arguments regarding the use of seat belts in a mandatory sense and the benefit of those restraint devices, and answer the question: why is this Bill aimed primarily at children and youth? First, let me say that in 1975, the year for which I have statistics, almost 4,000 youths under the age of 18 were injured and 144 were killed in car accidents in the province of Alberta. To quote from a University of Calgary accident research unit report:

Statistics show that of all the major health problems facing children today, motor vehicle accidents are the chief cause of death. Motor vehicle accidents are responsible for more infant deaths than all other classical childhood diseases including cancer, congenital malformations, pneumonia, meningitis, heart disease, leukemia and cystic fibrosis.

Mr. Speaker, experts indicate that during a collision, a child becomes almost a human projectile. The weight of the head in relation to the relatively small size of the body, combined with the fragile nature of the head, makes a child much more susceptible to harm than an adult, who has more natural protection, gathered over years. This Bill clearly states that not only should seat belts be used, but also child restraint devices. That's clearly because seat belts aren't practical for all age groups. But the technology necessary to determine what kind of device is required for what age of child, has developed to the point where we're now capable of supplying, at a reasonable cost and in a practical way, seat belts or child restraint devices as necessary through companies in our community. The Insurance Institute for Highway Safety says:

The empirical evidence now available from several countries indicates that infants and children can be protected by seat belt restraint devices.

Mr. Speaker, that basically outlines why this legislation is aimed at children, and therefore underscores the first point I'd like to make this afternoon; that is, the protection of youth in the Alberta community.

The second major aspect I would like hon. members to consider today, when determining how they will vote on this particular piece of legislation, is the educational value of such legislation. I've already suggested that mandatory legislation in other areas for most age groups, has resulted in a usage rate far greater than our educational programs have been able to accomplish in the province of Alberta. I would further suggest that within a couple of years following introduction of such legislation, people of all ages would likely increase their usage of seat belts, in order that parents could show an example to children, who would be required to wear such seat belts, and because they'd make that a habit when getting into a car.

An example in that area, Mr. Speaker, is the introduction of helmet legislation among amateur hockey players. Once that took place, almost immediately people playing hockey in the professional leagues began wearing helmets

voluntarily. A good percentage of the NHL are now protected in that way. I also believe that once we've gone through the process of requiring young people, especially youths of driving age, to wear a seat belt, that will become a habit easy to continue through adult life. I, and I'm sure many members of this Assembly, do not find it natural to put on a seat belt, to have that kind of protection, because we weren't raised with that in mind. But through the years, I expect this would become just another aspect of life in a voluntary sense for those people who are adults. Mr. Speaker, those are the first and second reasons: this legislation is designed to protect children and youths; and secondly, the educational initiative this Bill potentially can provide.

By implication, the question that comes to mind immediately is: why legislation just for people under the age of 18? Is it not true that a person over the age of 18, someone who's 18 and three days old, has a life as valuable as a person 17 years old? Are not seat belts that are good for people under that age, good for people over that age? Of course the answer to those questions is inevitably yes. There's no doubt that the life of a person 18 years old is just as valuable as that of one 17 years old. Indeed it is true that seat belts have proven to be beneficial for all age groups.

The reason for the age limit in this particular piece of legislation lies with my personal belief in the role of government. I'd like no one to make a mistake about that belief. I firmly believe that government does not have the right — and I emphasize the term "right" — to determine how a person in our community will act if his actions do not infringe on the rights of others. If we judge that that person is capable of making up his own mind, he should be allowed to do that, whether or not that particular action might inevitably be harmful to him as an individual. It's a right that I believe we as government do not have.

In the same vein, however, it's equally true that we as a government in this province, and governments in most places, have taken as a primary responsibility — again, I emphasize "primary responsibility" — the obligation of protecting individuals we judge incapable of making decisions for themselves. There is no doubt that 18 is not a magic age. No one automatically becomes mature enough and has accumulated enough wisdom to make decisions. Every person differs in the age they reach maturity.

However, that is the age we as a society have chosen in terms of alcohol legislation, which in my opinion is a perfect parallel to this legislation. We have chosen to protect people to that age from a commodity we know to be harmful, and after that point in time have left the decision as to whether or not people will use alcohol to their own choice. Of course there are many parallels, including those of enforceability. But that is perhaps the best example of where we've drawn that line. We've also determined, rightly or wrongly, that at 18 a person accumulates the knowledge and ability to vote in our society, to help operate and run it. I suggest that this piece of legislation is totally consistent with those other forms of legislation.

Mr. Speaker, I have outlined for hon. members the three reasons I think this piece of legislation should be enacted. Of course, the first deals with children suffering — thousands of injuries and hundreds of deaths — as a result of not having such protection. The second is the educational initiative this Bill can provide. The third, again by implication, is clearly that individuals over the age of 18 should have the right to make up their own



minds, to make their own choice, with respect to this legislation, in particular with respect to the use of seat belts.

I respectfully submit those points to hon. members here today, and ask for support on second reading of this particular piece of legislation.

MR. ZAOZIRNY: Mr. Speaker, it would be almost trite to say that the hon. Member for Calgary Currie has placed before this Assembly an important question for debate. For considerable time now, the question of mandatory seat-belt legislation has been a matter of keen and sometimes heated discussion among all members of the public and, I might add, members of this Legislature, although not in this Chamber until this date. The hon. Member for Calgary Currie has certainly added a new dimension to this debate, with his advocacy of mandatory seat-belt legislation for those under 18 but not those 18 or over.

Mr. Speaker, I think it's fair to say that virtually every Albertan, and certainly all members of this Assembly, are concerned about the number of people who die or are injured in motor vehicle mishaps across Alberta every year. As members of this Legislative Assembly, we have all received a wealth of statistics and data which suggest a significant reduction of deaths might occur if mandatory seat-belt legislation were enforced in this province. In the course of his argument for mandatory legislation, the hon. Member for Calgary Currie has recited some of those statistics. While some subsequent speakers may choose to challenge the validity of the conclusions reached by that data or the statistics themselves, in the course of my remarks I do not intend to. For the purpose of debate, I will assume that on balance seat belts save lives. Mr. Speaker, that remark is subject to a small but very significant caveat: seat belts can take a life as well as save one. That point must be on the table in the course of this debate.

The sometimes heated debate about mandatory seat-belt legislation takes on an even stronger emotional tenor when we start talking about our children. To make my own viewpoint very clear on the desirability of parents voluntarily installing quality child restraint devices in cars for their children, I would simply say that our own family station wagon is equipped with a child restraint device for our 18-month-old son, and we use it religiously.

Mr. Speaker, it is against that backdrop that I, as the Member for Calgary Forest Lawn, wish to put forward my views on the question of mandatory seat-belt legislation. I'd like to deal first with the proposal of the hon. Member for Calgary Currie that we enact mandatory seat-belt legislation but limit it to persons under 18 years of age; secondly, with the broader question, that I feel we must face squarely, of mandatory seat-belt legislation regardless of age. While I commend the hon. Member for Calgary Currie for a sincere attempt to find some sort of half-way house in this debate, and thereby resolve this debate about mandatory legislation, I must confess that I have some real difficulty with his position, in my mind being an argument that requires one to be both in favor of and opposed to mandatory seat-belt legislation at the same time.

I believe the difficulties that legislators normally encounter when they apply in legislation an arbitrary age such as 18, would be compounded many times over if one attempted to apply such a concept to the question of seat-belt legislation. Mr. Speaker, we would be saying in fact that one is old enough at age 16 to be charged with

and granted the responsibility of handling what is essentially a lethal weapon, which a car is, but not responsible enough to decide for oneself whether to wear a seat belt while driving that very car. We would be condoning as good, a law which would give rise to situations such as three young persons travelling in a car where the driver and one passenger are 18 and not required by law to wear a seat belt, but one passenger is 17 and required by such a law to do so. The hon. Member for Calgary Currie might suggest that this requirement would encourage all to buckle up. With respect, I suggest it would encourage the 17-year-old to break the law.

What we would be doing, Mr. Speaker, is asking our over-taxed police forces to enforce this law. The Member for Calgary Currie addressed this question of law enforcement. The problem of enforcement has often been cited as a reason against mandatory seat-belt legislation. A law limited to persons under 18 would surely compound the enforcement problem many times over. One can visualize the kinds of incredible situations we'd put our police officers in, trying to peek into vehicles through periscopes to determine if people are wearing seat belts, and then make some guess as to their age.

We'd also be saying that any young person breaking such a law would, if apprehended, be sent to court and fined, not for an action but for an omission which would be perfectly legal for his mother or father, or any person 18 or over. What would we be saying about the concept of the family and of parental responsibility? I believe that members of this Assembly have rather strong feelings about the importance of the family. I would say to all hon. members that if we really believe in that concept of the family, let us respect it, let us nurture it and not say to every mother and father in Alberta, we don't trust you to make a proper decision about the safety of your children.

Mr. Speaker, there's also a rather practical problem with respect to child restraint devices. We must be aware of this; it is authoritatively put forward in the recent Weeks and Innes study, prepared on behalf of the Calgary hospital administrators, regarding motor vehicle accident injuries. This is a very current study, completed in March 1979. In it, the authors make clear that "seat belt legislation for the adult [should] include the mandatory use of child restraints of an acceptable standard". But they go on to say, "In order to achieve optimum use, parent education, together with considerable improvement in design by the manufacturer, is necessary".

This excerpt makes clear that if the proposed legislation were adopted, we would be legislating in the one area where even the most fervent proponents of mandatory legislation realize they are on somewhat shaky ground. Even the Calgary Safety Council has recently been warning parents about the use of various types of child restraint devices, because clearly there are many on the market which are viewed as being more a hazard than a safety factor. Mr. Speaker, suffice to say that none of the four provinces that have enacted mandatory legislation applies it to children under the age of 5, because there has been a recognition of the technical problems that do exist. While it may be fair to say that those technological problems can be overcome, I think it would be inappropriate for a Legislature to enact a law in advance of that technology being perfected and approved in the industry.

Mr. Speaker, for all these reasons I am led to the conclusion that this proposed resolution of the mandatory seat-belt issue, which appeared on the horizon at the behest of the hon. Member for Calgary Currie, really turns out to be nothing more than a mirage. We are

therefore forced again to look squarely at the issue of whether we as legislators are in favor of or opposed to a mandatory seat-belt use law regardless of age, a law which would effectively remove the individual choice of all Albertans from the decision about wearing seat belts.

In addressing that question, Mr. Speaker, I reiterate that I am essentially persuaded that, on balance, the use of seat belts is desirable. I say "on balance" advisedly because, had we such a law in effect, this Legislature would be without the benefit of the participation of the hon. Member for Edmonton Norwood. Had she been wearing a seat belt in a recent car accident, expert medical opinion indicates that the use of her belt might have led to her death. So I think we have to be well aware of the fact that while on balance seat belts are beneficial, there certainly are circumstances where such is just not the case. In that regard, I'd also mention that an Ontario coroner who investigated a multi-fatality mishap last May found that three persons killed near Woodstock, Ontario, died of massive abdominal injuries caused by their seat belts.

None the less, the conclusion that seat belts, on balance, save more lives than they take, means to some the end of the debate and causes them to say, what are you waiting for, legislators? Pass a law making it illegal not to wear one. I suggest this view is often held by people who, through their employment, have to deal with injuries resulting from motor vehicle accidents. In particular, I might mention people in the medical and law enforcement fields. They will dismiss rather quickly the individual liberties argument advanced against mandatory legislation, on the basis that we have speed limits and other mandatory laws of the road, so why not mandatory seat-belt laws? They will also argue as a further justification the cost to society of persons injured in auto accidents who require extended, expensive medical care. Frankly, Mr. Speaker, it's understandable that persons who are exposed on a day to day basis to the results of accidents and the carnage on our streets, favor mandatory legislation. I expect that some members of this Assembly with experience in these fields of endeavor may well take that position during this debate.

But with greatest respect for that point of view, Mr. Speaker, this Assembly cannot simply pass laws for convenience's sake. As elected persons, I believe we have an obligation to direct our attention to all the major considerations entailed by this issue. To those who would say, it's a simple matter, what's all the fuss about, I say, it's not that simple at all. As legislators, we have the responsibility to try to balance a very deep concern for public health and welfare with a recognition of individual rights and the inherent danger of passing laws that may not be obeyed, along with our assessment of the public will, what the people in this province want.

Mr. Speaker, in that regard, I've made considerable effort to assess the public will and mood on this question in the constituency of Calgary Forest Lawn, including a recent newspaper advertisement in our community weekly, inviting constituents to call or write to me to express their point of view. I would certainly not suggest that my modest efforts constitute a scientific survey, but I am satisfied from all of my efforts in this regard that a significant majority . . .

MR. SPEAKER: Order please. Hon. members are aware of the standing order with regard to passing between a speaking member and the Chair.

MR. ZAOZIRNY: Mr. Speaker, from all my efforts I am satisfied that a significant majority of the constituents who elected me to represent them in this Assembly are in favor of seat-belt use, but are strongly opposed to mandatory seat-belt legislation. I think it a basic tenet of our parliamentary system that, as an elected representative of that constituency, I advise this Assembly of what I believe is the prevailing view on this issue in my constituency. The majority of my constituents oppose mandatory legislation, because they believe it infringes on their individual rights in circumstances where, in most cases, only the individual suffers as a result of the decision to wear or not wear a seat belt. In my constituency, many professional truck drivers and others who are in and out of their vehicles in their work, oppose mandatory legislation because they know that the belts make it extremely difficult to carry out their work effectively. However, I must add that a minority favor mandatory legislation, because they believe lives will be saved as a result.

Mr. Speaker, the longer I have personally examined this very difficult question of mandatory legislation, the more I have become convinced that this focus on, should we or should we not pass a law to force everyone to wear a seat belt, has perhaps diverted our view from the real problem that gives rise to the injuries and deaths on our roads and highways. The problem is not the seat belts as much as it is the accidents. That might sound rather trite, but it is also very true. Certainly, mandatory seat-belt legislation is nothing more than a band-aid approach to a very serious social problem on our streets and highways. They've become something like war zones, Mr. Speaker.

At the root of that problem is driver attitude, which mandatory seat-belt legislation won't cure or correct, and yet is the primary factor in road accidents. In this member's opinion, what will start turning around driver attitude in this province, in addition to more and better driver education, is significantly stiffer penalties for driving offences. Mr. Speaker, I personally believe in the use of seat belts. But I would have some real difficulty supporting mandatory legislation, because I believe such legislation would focus on the effect and not the cause of accidents, and could conceivably lead to even greater public apathy about safe driving.

Mr. Speaker, I share the view that such legislation is an unjustified invasion of the ever-shrinking civil liberties of the individual; unjustified because it is clearly distinguishable from speed limit laws and other road laws where non-observance affects the safety of innocent third parties. That is not principally the case with seat-belt use. Mr. Speaker, there is not unanimity of view about the value of seat belts in all cases. I find it unacceptable to pass a law which, under certain circumstances, might cause someone to lose their life, rather than save their life.

I share the view that enforcement is virtually impossible, and suggest that the experience of the four Canadian provinces that have mandatory legislation confirms this. I believe very strongly that, as legislators, we should not pass laws that can't be enforced and may well be ignored by a majority of citizens. If we do so, we breach a very solemn trust and duty to maintain integrity and respect for the laws of this province. I must disagree with my good friend and colleague the Member for Calgary Currie, who suggests that it results in some increase in usage and that's sufficient. I view the passage of a law that is virtually unenforceable and will largely be disobeyed as a very serious and wrong move on the part of any government.

Mr. Speaker, I do not accept the view that the societal cost of accidents entitles us to pass such laws. If this argument is accepted, it is a *carte blanche* for government to pass whatever laws it wishes about what we as private citizens can eat, drink, or otherwise consume, all on the basis of the social cost of our deemed bad habits. I believe that the way to really reduce the carnage on our streets is through tougher law enforcement, as well as more and better driver education. Mr. Speaker, one need not pass mandatory legislation to achieve educational aims and have effective educational programs. It is true that tough law enforcement and increased education is the hard way. But, in the long run, it is the only way we're going to deal with this problem on our highways today.

I believe the question of mandatory seat-belt legislation is one of the most difficult that we as legislators in Alberta have to address in the 1980s, because of the variety of considerations involved and because of the consequences that would flow from our decision. But as I said at the outset, it is an issue we must face squarely. I look forward to hearing the diverse points of view on this issue from other members of this Assembly.

Thank you very much.

MR. K. USHNER: Mr. Speaker, I would like to take this opportunity to speak to Bill 204, presented to this Assembly by the hon. Member for Calgary Currie. My intention is not to talk about statistics or anything like that. I'd just like to leave some food for thought.

Although I personally do not wear a seat belt while driving, I do respect the driver's wishes and will buckle up as a passenger if the driver makes that request, very much the same as I would accommodate a driver if he made a request not smoke in his vehicle. I would like to make a few points. In my late teens and early 20s, I was very involved in the sport of automobile racing at various raceways throughout the western provinces. As a result of my participation in that sport, I gained a respect and an appreciation for the use of safety equipment, which obviously includes seat belts. I've witnessed mishaps in which drivers were maimed for life. I have also witnessed mishaps where drivers escaped without injury, with the exception of a few cuts and bruises. I also witnessed mishaps where drivers lost their lives.

The majority of these unfortunate accidents did not involve other vehicles and occurred, with the exception of one that I recall, at speeds in excess of 100 miles per hour. Mr. Speaker, every automobile involved in those accidents was equipped with a roll cage to protect the driver in case of a rollover, and a blast shield in case of explosion of the motor at the exceptionally high rpms. The drivers wore asbestos suits in case of fire. I could go on and on with the various safety equipment. One significant thing is that they wore seat belts and crash helmets.

I suppose the point I'm trying to make is that every accident is different. Regardless of whether you're travelling at 100 miles per hour or 10 miles per hour, no fender will bend the same way and no windshield will crack or explode on impact the same way. How many times have we seen vehicles after an accident and exclaimed there's absolutely no way the people who were in that vehicle could have survived, only to hear by various sources the following day or a few days later that the occupants escaped with only minor injuries.

Mr. Speaker, that brings me to ask one more question. I'm sure there isn't a member in this room who, if not once, on numerous occasions, has seen a so-called re-

sponsible driver with children in a vehicle travelling down a street. That's not really that significant. The significant thing is: how many of us have seen that vehicle with a child standing on the front passenger seat, so it could see the road; a child climbing over the seat from the front to the back, or from the back to the front; a child sitting unrestrained on the seat, playing with various knobs on the dashboard; an infant tenderly placed — and I say this facetiously — on a passenger seat next to the driver; or a child hanging his arms, or for that matter half his body, out a window when a vehicle is proceeding down the road, letting the wind blow in his hair and having a great time. Mr. Speaker, I know we have all seen, and some of us have even allowed, some of that to happen in our own vehicles.

A little experiment, that can be tried in a back lane or somewhere away from traffic, may prove that if it's not tied in a moving vehicle, it automatically becomes a projectile in the event of a panic stop. By "it", I mean anything, including human beings. By "panic stop", I don't mean applying the brakes with a steady, easy motion, but applying the brakes with sufficient pressure to lock the wheels. The experiment is to obtain a child's doll, place it anywhere in the vehicle that a child might be allowed to be if it had free access inside the vehicle, take the vehicle up to only 5 miles per hour, and then panic stop.

You'll notice two significant things. First, as the driver you'll note that the panic stop was not really that bad, simply because you knew you were going to stop and had time to prepare and brace yourself against the steering wheel. But the second thing you will note is that the doll is not in the same position you left it. If that doll were a child, it wouldn't have known you were going to stop, and wouldn't have had time to brace and prepare itself for any sort of immediate stop. I'd like you to imagine that doll were a child. There'd be no way it could protect itself, especially if — and most of us do leave our ash trays open; and this may sound a little gory, but I've seen it. It leaves a very substantial mess of someone's face when they hit it on the dashboard.

Mr. Speaker, I don't believe any government should legislate itself into the lives of citizens. I also don't agree with passing legislation that is difficult to enforce. However, I do believe that people have the right of freedom of choice, and a right to request that all occupants of their vehicles buckle up or use some sort of restraint device. The driver also has the right to take credit for saving a child from possible permanent disfiguring or death. Mr. Speaker, that freedom of choice is most definitely ours.

MRS. EMBURY: Mr. Speaker, I'm very pleased to rise and speak on Bill 204. I find it quite interesting that the members in the Legislature who have spoken on this issue today are all from Calgary. I haven't quite decided the significance of that. In view of the controversy on the topic of seat-belt legislation, and the varying opinions around the province of Alberta, I suppose I find it a little surprising that more members from rural Alberta aren't speaking on this topic. However, as I said earlier, I am very pleased to have an opportunity to speak to this Bill. It's an issue that is definitely before all of us. There is a lot of controversy over it, and it certainly is relevant for us all to take time and think about this type of legislation in terms of our own lives and in terms of the lives of our constituents.

I commend the Member for Calgary Currie for introducing this legislation, for us to have the opportunity to

debate. It's unique legislation. Following research, it's very surprising to find that apparently there is no other legislation in the world exactly like it. That leads one to try to understand exactly why. I think the member should be commended. He has introduced a unique idea to our Legislature.

As has been stated by other members today, on the issue of whether seat belts should be mandatory or not, we have had many, many presentations from responsible organizations requesting that we have mandatory seat-belt legislation in the province of Alberta. One organization that has come out in support of mandatory seat-belt legislation is the Alberta Association of Registered Nurses. It is, rather unique for the nurses' association, as a provincial association, to take a stand on what are perceived as more or less public or social issues. By virtue of their by-laws, they tend to deal more with issues that affect the profession of nursing. I think this is a significant move by the association, because more and more nurses feel they have a social responsibility. And if ever there is a group of people who probably should speak out on such an issue, it is the nursing profession. No doubt, their stand was prompted by many, many hours in our acute care facilities, where nurses have cared for many people who have suffered under the effects of serious injuries caused by car accidents.

In Ottawa in 1975, I was privileged to hear a speech by the Hon. Marc Lalonde, who at that time was Minister of Health. He presented some very, very glaring statistics in regard to the high cost of people in our hospitals who require lifelong medical services due to car accidents. They were very, very shocking statistics. Everybody in this province is concerned, as they are across Canada, in regard to our high costs of hospital care. This is one of the reasons the nurses have spoken out strongly in support of mandatory seat-belt legislation.

Because this issue has been before us for quite some time, approximately a year ago at an annual meeting of my constituency association, I presented a very small questionnaire to the people, and asked them to respond. Much to my chagrin, they said they favored mandatory seat-belt legislation. Before I had taken that small survey, I probably would have made the observation that they would support not having mandatory seat-belt legislation. As the Member for Calgary Forest Lawn indicated, it certainly wasn't a very formal survey, and it wasn't a large proportion of people in the riding. However, when you do a survey like that, it is interesting to find out exactly what people's opinions are. I'm not saying at this time that that small sample would be representative of the people in the constituency. I think it just indicates that those are the people who are naturally speaking out; the ones who are for mandatory seat-belt legislation. Again, like so many of our issues, we have a strong silent minority who are not making their voices known to elected representatives.

I find that young Albertans definitely favor mandatory seat-belt legislation. Yet I also find that our young adults are the ones who tend to use seat belts in their cars, almost from habit. While I suppose statistics in this province would probably not indicate that our educational programs in this area are successful enough, basically I think that a lot of credit goes to the Department of Transportation and possibly other departments for their educational programs in this area. I think it's too bad at times that we haven't got enough statistics to indicate how effective our educational process is on our children. As I said, as they get older I see many, many young

adults who use seat belts without even thinking twice about it.

I know a lot of citizens in my constituency are very supportive of the use of seat belts, not necessarily mandatory seat-belt use. Another area is people, primarily in the oil industry, who have been subjected through their companies to educational programs indicating the value of the use of seat belts, particularly when they're travelling around the province. There's no doubt that the statistics — some of the films they show are almost like shock therapy, when you see some of the dreadful car accidents and what can actually happen to people. That is certainly one way to encourage people to use seat belts.

Doing some research on this topic I found it very interesting — and I think this has been alluded to before — to look at various parts of the world and see what has happened. There is seat-belt legislation in other parts of the world as far back as 1970. One state in Australia was apparently the first government in the world to make it compulsory. I also find it very interesting to look at the law in France. It requires that all automobile passengers wear seat belts on freeways and on rural roads, but it is not mandatory for urban driving.

Another point I find very interesting to analyse around the world is the cost of the fine when there is mandatory seat-belt legislation. Many of the fines seem to be approximately \$15, which in our inflationary dollar may be interpreted a much higher rate in this country. Just looking at a quick sample, Israel has one of the highest fines: \$167 or a 30-day term in jail.

Getting back to what happens in France — and I believe it's a point in Bill 204: the first section to be amended says that "No person shall drive a vehicle upon a highway ...." I guess I really have trouble with that restraint in this Bill. Maybe it seems logical in France that seat belts should be mandatory only on highways or rural roads. Goodness knows, we probably all can well recall many accidents in the early hours of the morning on any given rural highway. I'm more familiar with southern Saskatchewan than I am with rural highways in Alberta. There have been some very bad car accidents after a community dance or a party, when people have had to drive many, many miles to reach their homes. However, when you look at the streets in the city of Calgary, I really can't see why we shouldn't be using our seat belts on our streets. I think the statistics are now showing more and more that some very serious car accidents occur in our cities. Probably these accidents cause just as much damage or loss of life as there would be on the rural roads or on our highways. So for that reason, I couldn't possibly support this Bill, because I think people should certainly use their seat belts in the cities as well as on the highways.

One point made by the Member for Calgary Currie was that we need educational initiatives and this should be carried out through legislation. I'm afraid I don't necessarily agree with the point that legislation is necessary to have educational initiatives. I think it's just something that should be done. All the money that is possible can be spent on the education of people with regard to the use of seat belts.

It's also a very difficult Bill in that it identifies one certain age, 18. The Member for Calgary Forest Lawn alluded to this. To me it's a very difficult situation when you specify an age.

Many comments have also alluded to the types of restraints available and how effective they are. I'm sure we're going to find that day by day, as time goes by, there

will be constant improvement in the area of which type of restraint is best to use and which is most effective. I think this is a particular difficulty for people when they have children of different ages. It's almost embarrassing for me to stand here and admit that over 20 years ago it was common practice to use a car seat for a toddler, a baby, probably to around the age of 2, then all of a sudden it seemed a quite normal and commonplace habit to have that child stand on the front seat of the car, not always the back seat, without any type of restraint at all. I followed this pattern in Regina, and was very distraught when I stepped on the brakes very suddenly and felt I had marred my daughter's beauty forever as her tooth went through her lip. Fortunately, I don't think it has distracted. But it was a very serious moment for me, and for a long time after, to try to rationalize my own behavior and to view myself as a responsible citizen. I think that is one of the problems all of us as individuals have to face.

If you look at the cost of many of the restraints, they seem to vary from approximately \$20 to around \$60 or more. If you're going to require different types of restraints for different age groups, I think this is going to create a problem for a lot of people who are driving cars. Apparently, some very innovative programs are available, and I think these people really have to be commended. The Calgary Safety Council, for one, apparently rents restraint devices. The cost is approximately \$18 over a nine-month period. There's also a program in Edmonton by the Jaycettes, who rent restraints through a local store. I believe these people really should be commended for this service because, as I said, I'm sure a lot of people find that that's an added expense they maybe can't justify. They feel they will take the chance that a car accident couldn't possibly happen to them.

The second part of the Bill states that "The Lieutenant Governor in Council may issue regulations prescribing the equipment that shall qualify as a seat belt or restraint device." Again, I have trouble with that area. I'm afraid the rules and regulations will have to be under constant under review, and at this time I'm not convinced they can change fast enough to keep up, hopefully, with all the changes that are occurring and the research that is probably being done in this area to try to strengthen and develop a type of seat belt that is really adequate for children in all cases.

Lastly, the third point of this Bill states that if anybody contravenes this section, on conviction, they're liable to a fine up to \$50. Again, I'm afraid, for that reason, I can't possible support this Bill, just in view of the fact that I feel the fine is a very small amount. If people feel they can't pay \$60 for a restraint, the amount of the fine should be a lot more.

In closing, Mr. Speaker, I certainly do not want people to think I am speaking out against the use of seat belts, because that is not my intention in rising today. I heartily support the use of seat belts by everybody. I think people should be encouraged, particularly young people, when they have children in the cars — I suppose older people might have their grandchildren in the cars — that they really should be very, very careful and aware of where the children are riding and if they are restrained.

Lastly, I would like to say that at some time we will probably be faced with the idea of making seat-belt legislation mandatory in this province. Hopefully, this chance for many of us to get up and speak today, will prompt Albertans to consider this issue, and let their elected representatives know exactly how they feel on the issue of mandatory seat-belt legislation.

In view of the hour, Mr. Speaker, I'd like to adjourn the debate.

[The House recessed at 5:30 p.m. and resumed at 8 p.m.]

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

**Bill 50**  
**The Mines and Minerals**  
**Amendment Act, 1980**

MR. LEITCH: Mr. Speaker, I move second reading of Bill 50, The Mines and Minerals Amendment Act, 1980.

Mr. Speaker, in principle this Bill provides that:

The Lieutenant Governor in Council may, if he considers it in the public interest to do so, make regulations fixing the maximum amount of petroleum that may be produced under Crown agreements during any month specified in the regulation.

I want to stress that the Bill is applicable only to production from Crown lands and that it does not apply to production from freehold lands. Members of the Assembly will be aware that the Energy Resources Conservation Board now makes orders fixing the production levels from Crown lands, and does so on one of two bases.

First of all, Mr. Speaker, it fixes the amount of production on the basis of the level of production that may be permitted without damage to the well or reservoir and, in addition, on occasions when the demand for oil does not equal or exceed the province's productive capacity, it allocates that demand among the wells in the province according to their producing ability. But there is no provision for the Energy Resources Conservation Board or anyone else to fix production levels in the public interest. In that respect, the situation in respect of petroleum is significantly different from what it is in respect of natural gas, because in the case of natural gas under The Gas Resources Preservation Act, the Energy Resources Conservation Board is authorized to hear applications for the export of natural gas from the province and to make recommendations in respect of the export of natural gas, but is authorized to do so only if it has reached the conclusion that it is in the public interest of the province of Alberta to have the natural gas removed from the province. The Gas Resources Preservation Act, Mr. Speaker, does refer to certain matters that the board has to take into consideration in respect of determining the public interest.

In addition, under the Crown leases dealing with natural gas, there is a provision that the lessee is not authorized to remove natural gas from the province unless permission to do so is first received from Executive Council. So while the two pieces of legislation and the terms of the leases are not identical with respect to natural gas and the proposal contained in Bill 50, Mr. Speaker, they do have a great deal in common, and I think it fair to say that they are similar. But with the passage of this Bill, we would have provisions relating to petroleum similar to those now existing with respect to natural gas.

Mr. Speaker, I'm confident the principle embodied in Bill 50 is one that all members of an Alberta Legislature would support.

MR. R. CLARK: Mr. Speaker, in rising to take part in the debate on Bill No. 50, I want to say to members of the Assembly at the outset that I suppose it's one of those times when I wish I were a member of the legal profession, because much of what one becomes involved in in the question with regard to this Bill centres around the public interest. What is the public interest? I'm not suggesting to any members of the Assembly that members of the legal profession have a corner on the public interest, but in looking at what is before us tonight, I must say it would provide perhaps a broader point of view.

Mr. Speaker, I'd like to break my remarks down this evening into basically three areas. First of all, I want to deal with the principle of regulating "the maximum amount of petroleum that may be produced ... under Crown agreements", which is the guiding principle behind this amendment. Secondly, the principle of vesting such regulatory power in the cabinet, which this Bill proposes to do. The third area I'd like to direct my comments to is the principle that such cabinet regulation of petroleum production is to be based on a determination of the public interest. From those three vantage points, I'd like to take a few moments of the House's time this evening, because in my judgment the piece of legislation we're debating in principle here this evening can turn out to be one of the most significant pieces of legislation this Assembly will consider over an extended period of time. I'm sure that isn't lost on the Minister of Energy and Natural Resources or on members of the cabinet, but I think members, regardless of where they may sit in this Assembly, should recognize the importance of the legislation before us.

Mr. Speaker, first of all with respect to the first principle, that the government should have the power to regulate "the maximum amount of petroleum ... produced ... under Crown agreements", I fully support that principle. The right to regulate production for the purposes of efficiency and conservation is already recognized in such statutes as The Oil and Gas Conservation Act and, as the Minister of Energy and Natural Resources has already referred to, The Gas Resources Preservation Act. The power to fix "the maximum amount of petroleum ... produced ... under Crown agreements" should be considered part and parcel of the province's power to effectively manage its energy resources. Alberta has the constitutional right and the competence to exercise this power in both the national and provincial interest. As I've said earlier, I therefore support the basic principle of the Bill.

Mr. Speaker, the second principle I see in the Bill proposes to vest this regulatory power in the Lieutenant Governor in Council. In doing so, it contributes to what I regard as an unhealthy trend, on which my colleagues and I have spoken in this Assembly on a number of occasions. Now in raising this particular point at this time, if I could just reflect back for a moment on previous occasions when we have raised this matter of where the ultimate decision would be made, I regard what we're discussing here this evening as the ultimate decision in a major confrontation between Alberta and the government of Canada. The ultimate usage of this section of the Bill we're discussing this evening, as presented to us, would be for Executive Council to gather, to weigh the pros and cons of what the public interest is and what's best for the public interest, and then if Executive Council felt a decision had to be made to reduce production, that decision would be made.

Now I know there are some hazards in my raising this

particular issue, Mr. Speaker, because I recall raising this issue in the past and being told by the Premier, in rather blunt words, that there is no way a Premier of this province could negotiate with the federal government — and I'm sure the Premier will recall it was on the question of the Syncrude agreement. The Premier would not be able to work out an agreement at the Winnipeg meeting and say, but I have to come back and check with the Legislature.

Mr. Speaker, I say to the Minister of Energy and Natural Resources and to the members of this government that if we approve this Bill as it is, we are placing in the hands of the government what I refer to as the ultimate power, the ultimate decision, in a struggle between Alberta and the federal government. If that decision is to be made, I make the submission in the best way I possibly can to members of the Assembly that that decision should be made in the Legislative Assembly, not only because that's the purpose of this place. More important than that, if in the future negotiations get to the point where Alberta feels it has to take that step the Premier referred to in Vancouver some months ago, then it seems to me that any government would be in a far stronger position if the matter were debated in the Assembly. The Assembly could be called on very short notice, and it wouldn't be a matter of the cabinet or the government caucus making a decision, but the elected representatives of the public of Alberta making that decision in public. That aspect of the Bill, Mr. Speaker, I find very, very difficult to understand: why it is being recommended to this Assembly that such an important decision as this could not be made here in the Legislative Assembly.

In speaking about this point, which obviously I feel very keenly about, I refer to the trend in Alberta and in other jurisdictions, particularly in the field of energy regulation, to transfer powers away from the Legislature and into the hands of the executive. That hasn't only happened here in Alberta; I think it's happened with equal fervor in Ottawa. The net effect of this trend, Mr. Speaker, carried far enough, is really the emasculation of the process we gather here for twice a year; the major decisions being made not in this Assembly in public debate, but being made by the executive arm of government.

The Petroleum Administration Act and parallel provincial legislation have made political price fixing in the energy field a fact of life in this country. Federal legislation pertaining to the emergency allocation of energy and provincial legislation such as Bill 50 open the door for politically motivated production quotas and distribution schemes. I oppose this feature of the Bill, Mr. Speaker, and suggest that this power of regulation on a non-conservation or non-engineering basis would be better vested in the Legislative Assembly, an Assembly which could be called on very short notice, and the government could put the case to the Assembly. If the case is as strong as I feel a case should have to be before this step is taken, then I have no qualms about saying that my colleagues in the party I lead at this time would support legislation if every effort had been made to work out an agreement.

Mr. Speaker, the third principle I want to deal with — and from the standpoint of strategy in the debate, I suppose I should hold my next remarks until we get to committee. But on the other hand, I'm not so facetious to believe that unless one raises some of the concern about what the public interest is now, the government, if it is

prepared to make a change in this area at all, would do it after at least a few days of consideration as opposed to raising the thing right in committee.

So the third area I want to focus my remarks around, Mr. Speaker, is what I regard to be the second and most obvious weakness of the Bill, the vagueness of the prescription contained in subsection (1):

That the Lieutenant Governor in Council may, if he considers it in the public interest to do so, make regulations fixing the maximum amount of petroleum that may be produced under Crown agreements during any month . . .

Here we have a regulatory power, I would suggest a very significant regulatory power, with all kinds of ramifications for energy development, for federal/provincial relations, and even for national unity.

According to this Bill, this regulatory power is to be exercised by the cabinet subject to only one criterion — and I can't make this point too clear, Mr. Speaker — the undefined and imprecise citation of the public interest. This phrase "in the public interest" is finding its way with increasing frequency into legislation, not only in this province but all across this country. It is found with increasing frequency in legislation introduced in this Assembly. We had an example of that question not long ago in the nurses' strike. We have the same kind of public interest clause in the Department of Labour legislation.

But to get back to this particular matter. Because it is a phrase which is so easily abused and which can so easily be made to mean anything and everything, I believe it's incumbent upon us as members of the Legislature that if the ultimate decision by this Assembly is to go the route of making a decision by Executive Council, then at the very least this Assembly must attempt to prescribe to the Executive Council the framework that must be used before making that kind of decision. We must have a more precise meaning of what the public interest is with regard to this particular piece of legislation, or at least define more precisely the procedure whereby the public interest is to be determined in relation to the particular decision.

So, Mr. Speaker, I say to the government that if the government is bound and determined that it is going to push ahead with this legislation, legislation that I think would better serve Alberta if the Assembly were called to deal with what I refer to as the ultimate decision — but if the government won't back off that position, then I say to the government that there's a challenge to define with some precision what the public interest is for the sake of this piece of legislation, or at least to define with some precision what procedure will be used to determine the public interest. From people on the government side of the House the argument can be that that's very difficult. That is true. But what better place to commence defining our concept of public interest than in a Bill which gives the Alberta cabinet the power to regulate 80 per cent of the domestic oil production in Canada in the public interest. .

I therefore challenge the government, Mr. Speaker, to bring forth an amendment to the Bill elaborating upon its concept of the public interest in its application to petroleum production. As I said earlier, if it proves to be an extremely difficult task — and I believe it will be — I would at least request the government to bring forth an amendment defining the principal factors which should be given due consideration in the determination of public interest under this Bill.

To assist the government in this matter, Mr. Speaker, I think it's only fair on my part to make some suggestions

as to what seem to me to be factors one should consider in whether we approve this Bill in second reading and how the public interest is to be determined. First of all, let us talk about some of the things the public interest is not. At all cost let us avoid simplistic concepts of the public interest. I say this with no disrespect at all, but several years ago a committee chaired by one of the members of the Assembly brought in a report which defined the public interest as that which is in the interest of the public. Such simplistic definitions are not a credit to the serious matter before the House this evening.

Secondly, Mr. Speaker, let us avoid the use of what I'd call an overexpanded concept of the public interest. There's a tendency on behalf of many politicians, and I would say many commentators too, to invest the public interest with all sorts of moral overtones, to make it rather synonymous with all that's good and virtuous, and to talk as if this expanded concept of the public interest were the one and only criteria for public decision-making. Such vague and, I would say, over-expanded ideas of the public interest may have some value for political speech-making by all of us, but they ought not to be important to legislation dealing with the regulation of petroleum production in Alberta.

A third and frequently used concept of the public interest identifies this term exclusively with the interests of majorities. I suppose one would refer to it as a majoritarian concept of the public interest. It is most often advocated by those who style themselves as, I would say, true democrats, with due respect to my colleague to the right here, who, I might add, is really to my left. [laughter] But the principal shortcoming or fallacy, though, in this approach to the public interest is that it tends to attach equal weight to every individual's interest in every issue, when in fact that simply isn't the case with regard to every issue that comes upon us.

For just a moment, let's look at what's before us. The interest of a producer in the regulation of petroleum production is different in kind and, I would suggest to the House, different in magnitude than the interest of consumers, on exactly the same issue. The weights which must be assigned to the interests of producers and consumers are a matter of judgment, not simply a matter of counting hands. In my judgment, Mr. Speaker, the government of Alberta would be ill-advised to base its conception of the public interest in petroleum production on some definition in the interest of the majority of its electors, because the federal government could do likewise, and when it comes to counting their noses, their majority could outnumber our majority.

Fourthly, Mr. Speaker, one of the dangers we must recognize when we talk in terms of the public interest is that another concept of the public interest is highly prejudiced to the operation of the valuable private sector, including the energy sector, which is the focus of Bill 50. This concept is based on what I judge once again to be a wrong notion: that the public interest does not include, indeed is the very opposite of, private interests. Proponents of this view seek to create the rather false idea between public and private interests as if the two were antagonists rather than, on many occasions, complementary. Legislators and governments which are aware of the dangers of this misconception of the public interest will place the focus of economic regulation on the need to balance the claims of the public and private concerns, rather than pitting one section against the other.

Since most of the Crown agreements for the production of petroleum affected by Bill 50 are agreements

between the Crown and legitimate private interests, it is especially important that the concept of public interest embodied in this Bill include the rights of those private interests. If the government, under the provision of Bill 50, were to severely restrict the amount of petroleum which may be produced under Crown agreements, then a regulatory action would have a devastating effect on producing interests, particularly the smaller and medium-sized Alberta and Canadian companies. Mr. Speaker, in regulating petroleum production in the public interest under Bill 50, does the government propose to take into account the rights of those producers under present agreements and legislation, and if so, what weight does the government give in their adjudging as to the public interest?

These negotiations between the federal government and the government of Alberta . . . Alberta has been properly insisting on pricing and taxation provisions designed to provide an adequate cash flow and fair rate of return to producers. Does the government's concept of public interest include provision for compensating producers whose cash flow and rate of return would be adversely affected by a restriction of production under Bill 50? Of course, it all depends, Mr. Speaker, on whether the government's concept of the public interest includes or excludes the private interests.

Lastly, Mr. Speaker, another prevailing concept of public interest is that the public interest and the interest of the state are always the same. I need not elaborate on that area. They are not always, Mr. Speaker.

Mr. Speaker, I've spent several moments of the House's time in trying caution members about what I think the public interest should not be, for the sake of the implementation of Bill 50 if it passes this Assembly. It seems to me that there is some responsibility upon my colleagues and I to make some comments about a more balanced concept of the public interest, a balanced approach to the determination of the public interest which would avoid the pitfalls, fallacies, or shortcomings which I've attempted to outline in my previous comments.

First, Mr. Speaker, it seems to me that if this legislation is to go through, we must recognize that the public interest as far as this legislation is concerned must be an organized concept to facilitate decision-making, not an end to itself but a process leading toward a decision. And properly defined, the statutory directive to regulate in the public interest should tell us what's relevant to the decisions that have to be made, or give us some indication as to what factors will be considered relevant, what factors will be weighed in arriving at that decision which the Executive Council will be able to make if this legislation goes through. As the legislation stands before the House now, Mr. Speaker, there's no indication of that at all.

Secondly, Mr. Speaker, a balanced concept of the public interest will attach great importance to identifying all the major interests or all the interests involved, which may be affected by the issue or the decision under consideration, and then some type of determination of the public interest. In this case, the question centres around petroleum production. What are some of the groups that should be involved? Obviously, one has to take into consideration the consuming interests as well as the producing interests, the energy interests of the people of Alberta and of Canadians beyond our borders whose lives will be adversely affected by the decision to fix a maximum amount of production that may be produced under Crown agreements in Alberta.

Thirdly, Mr. Speaker, a decision of which the deter-

mination of the public interest is a part should not be constructed as a matter of choosing one set of interests against another set of interests. Rather, it seems to me, Mr. Speaker, that the decision should be a matter of assigning weights to the various interests affected, and choosing that alternative which best reconciles the conflicting points of view. The aim should be for a just decision, where justice in this case calls for an attempt to earnestly work out what is in the public interest.

Mr. Speaker, I conclude my remarks by saying that I regard myself to be as good an Albertan as any member who sits in this Assembly. I am prepared to vote in favor of doing what has to be done to look after the interests of Alberta in the course of energy negotiations with Ottawa. But I am not prepared to give to this government the kind of power it wants without a guarantee that the discussion would be in the Legislature and the ultimate decision made here or, failing that, at least a very firm indication in the legislation as to what public interest is for the sake of the legislation which is before the Assembly.

MR. SPEAKER: I hesitate to interrupt the hon. Member for Spirit River-Fairview, but may the hon. Member, for Calgary Currie revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

#### head: **INTRODUCTION OF SPECIAL GUESTS** (*reversion*)

MR. D. ANDERSON: Thank you, Mr. Speaker. It's a pleasure this evening for me to be able to introduce to you, and through you to members of this Assembly, members of the Forum for Young Albertans who are with us at this time. Last week I and some of my colleagues had an opportunity to have supper with these young leaders. I understand that again this evening many members of this Assembly had supper with these individuals. I think anyone who did is confident in the future of Alberta through leaders such as these young people.

They are situated in both your gallery, Mr. Speaker, and the members gallery, and I would ask them to rise and receive the welcome of this Assembly.

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

##### **Bill 50** **The Mines and Minerals** **Amendment Act, 1980** (*continued*)

MR. NOTLEY: Mr. Speaker, in rising to take part in the debate on Bill 50, I would have to say at the outset that in my view, along with the heritage trust fund amendment Bill, we are probably dealing with one of the two major Bills of this Legislature. I must confess that I was mildly amused when I saw the provincial Minister of Energy and Natural Resources on television a few days ago explaining Bill 50, and suggesting basically that as a consequence of sort of reviewing the legislation, a little bit of bedtime reading, looking through the statutes of Alberta, he discovered there had been this omission and that we needed to implement Bill 50 to sort of tidy up the legislation. Today when the hon. minister introduced the Bill — and



I realize one has to be reasonably careful when undertaking negotiations — we had one of the best examples of parliamentary coyness that I've seen in some time: the suggestion that it's just a minor tidying up here and there.

Mr. Speaker, may I just say to hon. members that for those of us who have been, in the House for some time, all one has to do is look over some of the debates in this Legislature. The question of an oil resources preservation Act, or basically the principle contained in Bill 50, has been raised many times. On each occasion it has been raised, we have been assured by the government that it was such a weighty and important matter that it would have to be given all due and careful consideration.

So, Mr. Speaker, I would have to say at the outset that the initial comments of the government in explaining this Bill were, if I can be kind, a trifle coy at best, although we did have a definition of public interest from the hon. Member for Edmonton Glengarry, when he came right to the point — at least the reports indicated that he defined the public interest as price.

Mr. Speaker, I am not so naive as to suggest at this time, when very serious negotiations are taking place between the province of Alberta and the federal government, that this government does not require legislation that will strengthen its position in bargaining. As a consequence, despite the fact that I have some very serious misgivings about the lack of control by the Legislature, I am going to have to reluctantly support the Bill. But when we get to committee stage, if an amendment is not proposed by anyone else I certainly intend to raise this question of the Legislature defining public interest.

Having said that, Mr. Speaker, the fact of the matter is that the kind of legislation we are dealing with in Bill 50 is not only necessary for Alberta in carrying on reasonable negotiations with the federal government, but in my view it's long overdue. In fact the kind of legislation we have here would be to enunciate, as far as the production of oil is concerned, the same basic principle we've had for natural gas for some time. That is a very reasonable principle and one I have no difficulty supporting.

One of the problems between 1970 and 1978 was that we really didn't have this kind of principle in place to define the public interest. As a consequence, the ERCB looked at oil production from the vantage points of the two points the minister alluded to. One, would there be any harm done to the reservoir, and two, what will the impact on price be? As members are well aware, during the time of surplus oil production in this province, which continued up until the mid '70s, we had a system of prorationing which was basically — and I know some of the oil men in the province don't like to hear these words — the application of the Wheat Board formula of supply and management to the oil industry. We had a system of prorationing which set out allowables to each of the oil wells in the province. In fact the available market was carved up so there wouldn't be the interplay of supply and demand.

Mr. Speaker, in addition to that there was the conservation element of ensuring that the reservoirs would not be damaged. I think, we're going to have to be very careful in recognizing that over the last number of years our conservation legislation as it relates to oil has largely been a supply and management technique, until we got the pipeline to Montreal and suddenly found we had more markets than productive capacity.

Mr. Speaker, I want to deal with what I consider an important application of this principle of the public interest. Between 1970 and 1978, because the ERCB was

operating on the points I have alluded to — not damaging the reservoirs and maintaining the price — we exported some 3 billion barrels of oil from the province of Alberta. One can very legitimately ask today whether that export over those eight years was really in the interest of the people of Alberta or, for that matter, in the interest of the people of Canada. Had that been banked? Have we been in a position to make the decision to bank all or part of it? The requirement of the government of Canada to continually import oil on an accelerated basis may not have been nearly as great as it is today. The point I want to make, Mr. Speaker, is that this kind of legislation would at least have given us the opportunity during those years to have made that kind of decision. I rather suspect that this government would not have decided to bank the oil. The fact of the matter is that that kind of latitude, that kind of ability to determine the public interest, has to be placed in legislation if in fact we are really going to be serious about ownership and control of our resources.

Mr. Speaker, where the question of legislative control is crucially important is not in the simple writing of Bill 50, or the fact that we can look at the application of Bill 50 to better conservation methods. What really has to be considered, when we address the question of whether to consign this power to the cabinet, is to look at Bill 50 in its context, in 1980, as a result of what will be very, very tricky negotiations between the federal government and the provincial government. I make no attempt to back off the fact that I've had serious quarrels, and still do, with many of the negotiation tactics of this provincial administration. But, Mr. Speaker, it seems to me if we are going to pass a Bill of this magnitude, which will allow us not to turn off the tap — I really doubt that the sort of Armageddon scenario of turning off the tap totally is a practical or realistic option at this time in Alberta. Notwithstanding the comment the Premier made in Vancouver last year, notwithstanding some of the speculation, no provincial government in Alberta is going to turn off the tap from the Crown leases. I think that's highly unlikely.

It seems to me, Mr. Speaker, that what we're really dealing with is a scenario where in fact we might cut back marginally on production. If we cut back production 10 per cent on the basis of defining the public interest — as the hon. Member for Edmonton Glengarry has, as price — the federal government would have to dig up between \$750 million and \$1 billion to pick up the costs of importing crude. Now there's no question that that is a very important bargaining lever. So as I view this legislation, I don't see it being the kind of legislation that will lead to the dramatic cutbacks that have been viewed in some quarters. But whether that is correct or not, even a marginal cutback that leads to significant shortfalls which have to be picked up by the federal government is going to lead us into a very, very significant confrontation with Ottawa.

Mr. Speaker, that may be the kind of confrontation Albertans would overwhelmingly support. But the question is that before power of this significance is used, power that not only will affect the future of Alberta in Confederation but, I submit, could even affect the future of Confederation itself, it seems to me a logical proposition and only reasonable that all the elected representatives of this Legislature make the decisions. If we want to cut back the oil production in our Crown reserves by 10 or 15 per cent, we know perfectly well what that's going to involve in terms of the likely impact on the present federal administration and the powers they can exercise.

There's no question, Mr. Speaker, that Bill 50 is constitutional as far as it goes. I've had the opportunity to discuss this legislation with a number of constitutional experts in the field. No question about it being constitutional. But what is significant is that if it is used, the federal government also has constitutional remedies, remedies which if used will create a legacy of bitterness and confrontation the like of which we have not seen before. I simply say to members of the Legislature that before we get into that sort of situation, this government has an obligation. Not an obligation to come to the Legislature and say, Mr. Lalonde said this today, and Mr. Trudeau said this yesterday, and somebody else will say it tomorrow to give us the details of the negotiations. I'm not saying that at all. I'm saying that before the power contained in Bill 50 is used, there is no reason it can't be used as a result of a resolution of the Legislative Assembly. Mr. Speaker, there's no great difficulty in calling a session of the Legislature. It's hardly an impossible thing to do; it can be done in a matter of a few hours' notice at most.

Mr. Speaker, the point that has to be made is that if we are going to consign power of this nature . . . Frankly, as a member of the House, I think probably legislation has to be on the statute books. The question is: before the ultimate use is made, I really believe very strongly that it must come only as a result of open debate in the Legislative Assembly. I certainly concur with some of the observations made by the hon. Leader of the Opposition about legislative control over the decision as to whether or not we'll cut back on production from Crown agreements.

Mr. Speaker, just one area that would lead me to distinguish the provision of this Act from a major constitutional confrontation. I don't have a serious quarrel with the cabinet using this kind of power in a normal situation dealing with conservation, dealing with the kinds of things that have been dealt with over the years by the ERCB with respect to natural gas, and then the approval by the cabinet of Alberta. I don't have any great quarrel with that. Where I think we move from cabinet control to the necessity of legislative control is in the scenario of events that will obviously lead to action by other governments. And if we're going to get into this situation, it shouldn't be decided by the cabinet or by the members of the government caucus. It should be decided by all the members of the Legislature.

I think such a move would not weaken the government's position at all. A resolution of this Legislative Assembly — and it's quite possible it might even be 78 to 0; or it might be 77 to 1, 74 to 4, or 73 to 5 — would be a clear indication of the support of the people of Alberta, who have had an opportunity to have the debate clearly expressed in the Legislative Assembly. Mr. Speaker, I just don't believe there is any logical argument as to why we have to play this so close to our vest.

I want to say one other thing before concluding my remarks, Mr. Speaker. I think that in dealing with the question of the public interest, obviously we want to make sure Alberta crude oil is going to be used for feedstock, where that's necessary to maintain the economic base that has been developed over the last few years. No question about that. So if we have to choose between oil for Alberta refineries and oil elsewhere, then one can define the public interest as saying, yes, we have to make sure that oil used here for Alberta refining purposes comes first. But it seems to me that over the next few years, and perhaps even over the next few months, the government of Canada is going to be asking all Cana-

dians, including people in the energy-producing provinces, to look very seriously at much more rigorous conservation methods, and that might even include a form of consumer rationing. I think there's a difference between the use of fuel for feedstock, the use of fuel for necessary industries like agriculture and forestry, and the use of unlimited amounts of fuel for private, personal use.

Mr. Speaker, we may very well come to the point where, in the national interest — already in the United States Mr. Carter and other presidential candidates are talking about rationing in that country. We may very well come to the point where the federal government says, look, we have to bring in some kind of consumer rationing. I would say to members of the House that it would be completely wrong for us to say, oh no, it may be all right to have rationing in Newfoundland, Quebec, or Ontario, but not in Alberta. That would be wrong. That would be wrong, Mr. Speaker. It would certainly be reasonable that we say we must supply Alberta industries that are based on Alberta crude production. It would be perfectly correct to say that we must have fuel for basic industries that are required in the province. But if we get to the point where in the national interest we look at the question of some kind of consumer rationing, as an Albertan I would quite frankly say here so it's on the record — and people can argue the case without backing off at all — that if we get to the point where some form of consumer rationing is required, then Alberta must play its role co-operatively in that sort of venture, and not simply take the approach that we are literally an island unto ourselves in this province and that we're not prepared to co-operate in what must, in the long run, be a national endeavor to make sure our energy resources are properly used.

Mr. Speaker, I close my remarks by saying, yes, Bill 50 is probably required. Over the last number of years I have differed with the strategy and tactics of this government, and I have no question that I will continue to differ in a number of important areas. But whether it is a New Democratic government, a Conservative government, a Social Credit government, or a Liberal government, in any kind of situation like this there is the necessity of having some kind of cards, if you like, to play properly, having some kind of power to back up the negotiations. It seems to me that Bill 50 is not the kind of innocuous legislation that was suggested by the minister a few days ago when he was asked to comment on it outside the House. It's rather significant legislation. It's legislation we should pass only with the greatest caution.

I just add to that, Mr. Speaker, when we get to committee stage, a determined effort at least by me, and I'm sure others, to make sure we have legislative control over the final and ultimate use of this legislation.

MR. LOUGHEED: Mr. Speaker, I'd like to make a few remarks with regard to this Bill. As the Member of the Legislative Assembly for Calgary West from 1968, I have a strong feeling about the Legislative Assembly and the importance of the Legislative Assembly being supreme in terms of the decisions of the government. I'd like to make a statement with regard to Bill 50 at second reading, as to the intentions of government with regard to this important legislation in terms of our plans.

It's been very carefully considered by the government caucus. Quite clearly, in our judgment there is a high degree of technical aspects involved in the thrust of the legislation that do not make it, in our judgment, warranted or advisable to provide in the legislation that the

decision of the nature described by the basic thrust of Bill 50 should be one made by the Legislative Assembly. Certainly there can be extraordinary circumstances, technical circumstances, or unanticipated circumstances that would make it imperative in the best interests of the people of Alberta to have the decision made by an order in council.

However, it is the intention of the government of Alberta that in the event, in the first substantive decision regarding an order in council as considered by Bill 50, such order in council would not be passed by the Executive Council without the issue being first brought to this Legislative Assembly by government resolution, and that there be full public debate, that there be a standing vote in the Legislative Assembly, that the ultimate decision to recommend to the government in the first substantive case be made by way of recommendation of the Legislative Assembly to the Executive Council. That is the intention of the government.

MR. KNAAK: Mr. Speaker, it's my pleasure to participate in the debate on second reading of Bill 50. I just want to comment indirectly on some of the points made by the opposition, not so much in response to them but in relation to my own comments.

Perhaps by way of introduction I should point out that the Alberta government, as owner of the mines and minerals, is a trustee for the people of Alberta. As a trustee and owner for the people of Alberta, it must do all things to reasonably protect the interest of the public in that ownership right. As pointed out by the hon. Minister of Energy and Natural Resources, at present we have legislation that does relate to the public interest. The Energy Resources Conservation Act permits control of production in order not to damage the field. As well, the same Act permits the reduction of production in order to prorate a shortage of demand among producers. So we do have in existence some legislation that relates to the public interest. As well, the Alberta marketing commission Act talks about the public interest. Part 2, Section 15, permits the Alberta marketing commission to set a price in the public interest, if that's deemed required. So again there's legislation with respect to the public interest.

But there's a gap. I was as surprised as many members of this Assembly that there was a gap in the legislation. I think the significance of this legislation isn't the fact of the rights it gives the Alberta government. I think most of us presumed those rights have always existed. Being an owner, surely you have the right to decide at what rate you want to produce an exhaustible resource. I think the significance is that it had been omitted in some way from prior legislation. It's surprising that the Social Credit government had not introduced it prior to 1971 . . .

DR. BUCK: You've been in power for 10 years. Wake up, Knaak.

MR. KNAAK: . . . and that somehow it was missed during the last eight years.

In fact let me use an example. Assume a producer were producing some kind of special water from an exhaustible water well. Surely that owner, as an individual, would have the right to decide how quickly he wanted to produce in order to preserve the health of the well, how much he wanted to produce at a certain price . . .

MR. R. CLARK: Let's have some other conservation legislation now.

MR. KNAAK: . . . and to what extent he would ration any limited supply he had, which isn't really applicable here. Nevertheless, a private owner has all those rights. Now that the provincial government is passing the legislation in fact to confirm rights it has as owners, I don't think it's very exceptional and astounding. It's just part of the legislative package that's really necessary as owners.

Mr. Speaker, I want to support this particular piece of legislation. I'm glad to see that an omission has been followed up and legislative authority given for a right that the province of Alberta always had and should have.

Thank you.

MRS. CHICHAK: Mr. Speaker, it indeed gives me pleasure to participate this evening in the debate on Bill 50, I suppose for a number of reasons, but perhaps primarily because I recall a debate I participated in just a few years ago with respect to the whole issue of the provinces, of resource ownership, its meaning to the province and to its people. Of course we recognize that it took some 25 years for this province to be put on an equal basis with the balance of the provinces. Unfortunately, after the first 25 years when Alberta became the rightful owner of the resources within its borders, I suppose it did not really examine very closely all the aspects of legislation and whether it had the ability to manage its resources in a prudent and proper way. I suppose as owners we very often take for granted that we have a whole range and nature of abilities with which to prudently manage our ownership, but that is not always the case. In this, about our 50th year since we became owners, perhaps it is time to complete the building of that house, to have it all in order.

So I think the Bill is not unusual. It simply does what perhaps needed to be done some 50 years ago. Although we recognize there is some ability to manage the supply of our natural gas on a conservation basis, the same does not apply to our other resources. This recognition has certainly come to a clearer understanding over a period of time, and as one of the representatives of the people of Alberta, I certainly feel it would be irresponsible if, on recognizing this ability was lacking in legislation, it wasn't set right. Not to have the kind of management of the rapidly depleting resource in the interests of the people of Alberta — surely we could not continue to be representatives of the people of Alberta if it were not put in its proper position.

Of course the future needs of Albertans must be protected. Initially that was the philosophy and policy behind the direction and thinking of the founders of this country, when they directed provinces to be able to build and develop, and not be dependent on any particular part of the nation but be able to grow economically and become healthy and a strong element of this nation. The logic behind that was that through the ownership of resources the provinces would be able to carry this out. We're simply adding and clarifying all those measures which we are able to manage, the trusteeship that has been handed to us.

I think history would show that we would be very irresponsible if, on behalf of our people, we did not amend the records to have clearly understood what capabilities were by design and intent really given to us. So we're not attempting to put in place something that was not rightfully or clearly expressed. I think it is important for all members of this Legislature, on this important occasion, to stand and show their positive support, that in fact they recognize what is taking place today is

something that was perhaps in philosophy and always existed in the backburners of one's mind.

Mr. Speaker, I think the Bill is not unusual. It is a proper one. It is one that was long overdue — perhaps 50 years overdue. The fact that it has now come to surface I think is no magic identification. I think the time in which the realization has come is the appropriate time to correct the weaknesses or absences that were never intended to be absent. So, Mr. Speaker, at this time I would hope that all members will stand and show their support for this particular Bill.

I would like to make just one comment. I can't resist this. I know the hon. Minister of Energy and Natural Resources will deal with the matter of public interest. The hon. Leader of the Opposition referred to the matter that a member of this Legislature had described public interest as that in the interest of the public. Well, perhaps the hon. Leader of the Opposition didn't look beyond that one interpretation. If the hon. leader would have read a little further or a paragraph or two beforehand, he would have recognized that the report indicated how the term itself eludes a clear and precise statement of its meaning, and that was perhaps one way to indicate that public interest really deals with the overall majority for the general good of the public to the extent it is possible to be for all the public.

Mr. Speaker, I simply couldn't resist telling the hon. member that the interpretation put could depend on the eye of the beholder or the mind of the beholder. So if the hon. minister can give a precise statement, gosh, he's doing a lot better than a good number of academics and intelligentsia who tried to convey to us how we might describe it. Out of all of the material that was submitted to that particular committee of which I was chairman — and I don't shirk the responsibility — you really couldn't come down with anything more precise than what the hon. Leader of the Opposition stated.

Thank you, Mr. Speaker.

MR. PAHL: Mr. Speaker, in rising to support Bill 50, I must begin by complimenting the hon. Leader of the Opposition. After professing or indicating, he was not a lawyer, he did a pretty good job as an advocate at this highest court of Alberta, in providing I think at least three definitions of public interest. When it comes to selling our rapidly depleting non-renewable resources, I would like to provide what I know he will appreciate, Mr. Speaker, what he might call a down-home definition of public interest.

When you are talking about selling oil, you can sell a barrel of oil only once. It can never be replaced. So when you sell it, you want to make sure it's not the barrel of oil you want next month or next year and you wish you still had in your possession. Secondly, you should be sure you receive appropriate value by whatever yardstick or yardsticks you care to use when you sell that barrel of oil. Supplementary to that — not being a lawyer either, I will try only two definitions — I think public interest was well explained or defined in a time not too distant. It was fairly accepted in times of a winter fuel oil shortage in eastern Canada and the United States that it was in the public interest to strain our oil fields' productive capacity and, in fact, risk long-term damage to our oil reservoirs to help our fellow Canadians and our American neighbors in time of stress. I think those are two for the Assembly to consider.

Mr. Speaker, in support of the Bill before us, The Mines and Minerals Amendment Act, 1980. I too confess

to some surprise that the specification to fix the maximum amount of petroleum production in the public interest is not yet in legislation. If you consider the not too distant past when Alberta oil was facing a buyer's market, the orientation of the then Alberta Oil and Gas Conservation Board is understandable. In that seemingly now distant past, the first production control was in effect a sharing or a prorating of a limited market opportunity among producers. Mr. Speaker, I understand the second reason for production control was for conservation of oil pool productivity. A far-sighted and certainly not universally accepted or welcomed control in its time was the added costs of such measures as reintroducing the natural gas into the formation, which had to be absorbed by very narrow profit margins. Also in that now distant past was a considerable reluctance to allow development of Alberta's oil sands for fear of hurting sales of our seemingly inexhaustible pools of light and medium crude oils.

Mr. Speaker, how those times have changed. The voracious appetite for our rapidly depleting non-renewable light and medium crude oil stocks necessitates control, I would submit, in the public interest on the other side of the equation. In these changed circumstances there is a clear responsibility to the people of Alberta, the owners of these depleting resources of oil and gas, to control, the upper limit of production as dictated by the public interest.

Mr. Speaker, in conclusion I must say that I am not unmindful of the importance of this amendment to the future well-being of the province, and I would therefore urge unanimous and unequivocal support from this Assembly for Bill 50.

Thank you.

MR. LITTLE: Mr. Speaker, it would appear that the points have been well made by the hon. members. However, in speaking to second reading of Bill No. 50, I think it's important that I reflect some of the opinions and feelings of my constituents. I would like to make some of those observations at this time.

The first observation I'd like to make, Mr. Speaker, is that over a long period of time this government has established a very enviable record for the care, conservation, and preservation of the natural resources of this province. With that enviable record behind them, I would consider it highly unlikely that this government would act in an irresponsible manner at this point. The people of this province have indicated in a very significant manner that they have placed their confidence in the decisions of this government, and my constituency is certainly one of those.

It would appear to me, Mr. Speaker, that when a gap appears in legislation and is discovered, it would be totally irresponsible on the part of the government, irresponsible to the electorate of this province, not to fill that gap. This business of reducing production and practising conservation procedures is not new by any means. In fact the rest of the world is practising them right now, and we are certainly not an island.

We must face up to realities. We must face up to the realities that in the future there will likely be shortages in supply and higher prices. Indeed, Mr. Speaker, the rest of the world considers our country and North America generally as rather wasteful. I had the good opportunity this last winter to visit the Commonwealth Parliamentary Conference in New Zealand. I can tell you, Mr. Speaker and members, that many expressions were made to me at that conference that the rest of the world considers us

extremely wasteful. These are the realities we must consider. If this government is going to live up to the mandate and to the responsibilities that have been placed in our care, we must accept the responsibility to take action when action is required. In the short term it could mean fewer dollars coming into our Treasury, but this is something we have to live with. Short-term cutback on the dollars coming in, yes — but these programs and these policies will make those dollars come in a lot longer.

Finally, Mr. Speaker, if any doubts did exist in the minds of the hon. members of the opposition, or for that matter any hon. members, concerning the authority of this Legislature, surely they were totally dispelled by the Premier's statement. I would therefore urge all members to support Bill 50.

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

HON. MEMBERS: Agreed.

MR. LEITCH: Thank you, Mr. Speaker. First of all, I'd like to thank all the hon. members who took part in the debate. I thought their participation in all cases was excellent.

The Leader of the Opposition made two points in response to the motion for second reading of Bill 50. First, he referred to the need to have the Legislature involved in the exercise of the authority provided for in Bill 50. That, I assume, has been fully answered by the comments of the hon. Premier.

He also referred to the lack of definition of the phrase "public interest" in the bill and argued that it ought to be given more particularity. That really is the only argument made by the opposition speakers to which I wish to respond now.

I appreciated the sincerity with which the Leader of the Opposition made his comments. I understand his point of view, but I simply want to say in response to him that public interest is obviously recognized by all as a judgment call. Frankly, I think the Member for Edmonton Norwood did a pretty good job of defining public interest, and illustrated very well that you really can't define it.

Let me go a little further and illustrate that point. A possible amendment to the legislation would be: in the public interest, having regard to the producers' interest, the processors' interest, the pipeliners' interest, having regard to all of the interests of the other groups who would be involved or affected by such an order, having regard to the supply needs of present and future Albertans, having regard to the finding rate, the trends in finding rates — and those things are referred to in the natural gas legislation I referred to earlier — having regard to other Canadians, having regard to the possibilities of additional upgrading of these resources in the future in Alberta . . . All those things are part of the public interest, and one could go on and on enumerating them. But even if you enumerated all of them, what relative weight do you give each one? And even if you were wise enough to start defining relative weights and say you should give more weight to these and less to those, that doesn't help carry you very far either. Don't you have to be more precise than that? And even if you could be more precise — I don't think any Legislature in Canada would take on that task, because you couldn't do it. You couldn't define in legislation the weight that ought to be given to each element of the public interest, and

those elements are almost without number.

Mr. Speaker, really the point of my response to the Leader of the Opposition is that even if you'd gone to all that definition, you are left with nothing but what you started with: a judgment call in the public interest. So while I appreciated the sincerity with which he expressed his view, I really think that on greater reflection he will find that a further definition of the phrase "public interest" really doesn't alter the way in which the authority granted by the legislation would be used.

Mr. Speaker, with those words, I'd simply urge members of the Assembly to support Bill 50.

[Mr. Speaker declared the motion carried. Several members rose calling for a division. The division bell was rung]

[Three minutes having elapsed, the House divided]

For the motion:

Anderson, C.	Hiebert	Notley
Anderson, D.	Horsman	Oman
Appleby	Hyland	Osterman
Batiuk	Hyndman	Pahl
Bogle	Isley	Paproski
Borstad	Johnston	Payne
Bradley	Knaak	Pengelly
Buck	Kowalski	Planche
Campbell	Koziaik	Reid
Carter	Kroeger	Russell
Chambers	Kushner	Schmidt
Chichak	Leitch	Shaben
Clark, L.	LeMessurier	Sindlmer
Clark, R.	Little	Stromberg
Cook	Lougheed	Thompson
Cookson	Lysons	Topolnisky
Crawford	Mack	Trynchy
Cripps	Magee	Webber
Embury	McCrae	Weiss
Fjordbotten	McCrimmon	Wolstenholme
Fyfe	Miller	Woo
Gogo	Moore	Young
Harle	Musgrave	
Totals:	Ayes — 68	Noes - 0

[Bill 50 read a second time]

**Bill 33**  
**The Medical Services Research Foundation**  
**Amendment Act, 1980**

MR. ISLEY: Mr. Speaker, I move second reading of Bill 33.

[Motion carried; Bill 33 read a second time]

**Bill 35**  
**The Commissioners for Oaths**  
**Amendment Act, 1980**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 35, The Commissioners for Oaths Amendment Act, 1980.

[Motion carried; Bill 35 read a second time]

**Bill 36**  
**The Notaries Public**  
**Amendment Act, 1980**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 36, The Notaries Public Amendment Act, 1980.

[Motion carried; Bill 36 read a second time]

**Bill 38**  
**The Alberta Property Tax Reduction**  
**Amendment Act, 1980**

MR. MOORE: Mr. Speaker, I'd like to make a few brief comments with regard to Bill 38, The Alberta Property Tax Reduction Amendment Act, 1980.

Basically, Mr. Speaker, the purpose of this Bill is to provide and facilitate the decision we've made to increase from \$500 per year to \$1,000 per year the renter assistance for senior citizens who live in rental accommodation that is not subsidized in any way by the government. Members will note that we have removed from the Bill the figures with respect to the property tax reduction payments to both individuals who own their own housing and their farms and those who are involved in renting. We've done that basically because in my view it's essential that we have the ability to move very quickly from time to time. A year ago when we made a commitment to move the renter assistance from \$250 to \$500 a year, those who were applying in May for that grant had to wait until very close to the end of June to get it.

I want to say to the members on moving second reading, Mr. Speaker, that I've already drafted regulations that will be attached to this Bill and approved by Executive Council shortly after it receives Royal Assent. The only change in those regulations from what is contained in the existing Bill is an increase from \$500 to \$1,000 in the property tax reduction benefits that apply to senior citizens who rent their accommodations from the private sector.

In conclusion, Mr. Speaker, I would say that is our major response to the fact that we believe rent controls in this province are not conducive to increasing the amount of available housing, not for only our senior citizens but for others within our community. Our belief is that we should move from rent controls, provide the incentives that have been provided by the Minister of Housing and Public Works for the development of additional accommodation, and at the same time provide, through this Bill and the announcements made by the hon. Minister of Social Services and Community Health with respect to the Alberta assured income, the protection we need through the course of this transitional time, until we get our rental accommodations up to an appropriate vacancy rate, and the assistance we have in this Act. I'd commend and ask all members of the House to support this legislation.

[Motion carried; Bill 38 read a second time]

**Bill 43**  
**The Universities Amendment Act, 1980**

MR. HORSMAN: Mr. Speaker, in moving second reading of Bill 43, I want to take a few moments to indicate to members of the Assembly that this legislation contains some amendments with respect to the senate, which have

been brought forward to the government at the request of the senate of the University of Alberta. They will provide a little more flexibility with respect to the senate, and reaffirm the important role of the chancellor by guaranteeing that the chancellor will be represented on the executive committee. Another amendment, of course, will provide some further flexibility in the terms of appointed members of the senate, in order to provide for an orderly change in the membership.

Hon. members will recall that on November 15, during the fall sitting last year, I put before this Assembly a ministerial statement with respect to the policy of the government respecting private colleges in the province of Alberta. Members will recall that at that time I indicated the government would be bringing forward in this session appropriate amendments to The Universities Act to implement the policy which had been arrived at by the government. I won't read all that statement, but I think it would be useful to repeat just two paragraphs:

Mr. Speaker, the government believes that baccalaureate degree granting opportunities for private colleges in Alberta should be enhanced.

The next paragraph says:

The proposed policy will encourage the private colleges and Alberta's universities to establish affiliation agreements which will extend credit courses at the colleges to the third- and fourth-year levels. Each private college will then recommend to the affiliate university, candidates for baccalaureate degrees to be awarded to qualifying students who have completed their studies at the private college.

I repeat those paragraphs, Mr. Speaker, to emphasize to the members of the Assembly and to the public of the province of Alberta that that remains the policy of the government of Alberta, and is strongly supported by the government.

In moving second reading of these amendments to The Universities Act, I choose this opportunity once again to make certain everyone is quite clear of this government's commitment to diversify in the advanced education sector. The importance of this diversity is stressed through the provisions of the Act referring to affiliation arrangements up to the degree level being provided for a private college. I say "private colleges" because clearly we do not intend to move in this direction to the public colleges, which have a different and legitimate role to play in the postsecondary system of Alberta.

I would like to underline once again our government's commitment to having degree level education at the private colleges I mentioned publicly in my ministerial statement. I would expect that the universities in this province will seriously examine any aspects of their traditional requirements which might impede private colleges from securing recognized degree level programs in course other than divinity. Of course I will be following very closely the developments which take place in that area.

I want to underline that the granting of degrees for studies at private colleges is to be pursuant to The Universities Act, so that all the processes described in the Act will be applicable. The programs and courses which would be acceptable to the university of course would have to be provided for or specified in the agreement between the private colleges and the affiliate university. Thus the university will retain a fair and legitimate control over course approval through that agreement.

This Act also makes provision for private colleges having representation on the Universities Co-ordinating Council once they have entered into the agreement with

the affiliate university, in order to permit them to provide instruction up to the degree level. That will be a non-voting membership, but it will be an important part of the Universities Co-ordinating Council and, I believe, will strengthen that body and certainly strengthen the position of the private colleges within the system. So I call upon the colleges and universities in this province — and I am confident it will come — for the parties to negotiate and discuss in good faith, and make the necessary compromises which are involved in such discussions.

I would ask, therefore, that hon. members assent to second reading of this Bill in principle. As I've indicated, it gives legislative capacity to the ministerial statement of government policy of November last.

[Motion carried; Bill 43 read a second time]

#### **Bill 44**

#### **The Department of Municipal Affairs Amendment Act, 1980**

MR. MOORE: Mr. Speaker, I want to make a few brief comments about the reason for Bill 44. Basically it outlines to the members of the Assembly how humble government can be from time to time.

Mr. Speaker, basically this is what has happened. The Urban Municipalities Association came to me about a year ago and said, we've been housed in rented quarters in Edmonton for some time. We've grown into an organization which has a responsibility for urban municipalities across this province that's second to none, and we want to build a head office over here on Saskatchewan Drive and 105th Street. The city of Edmonton has been kind enough to provide us with the land. Would you undertake to consider whether you could increase the annual grant provided to the association from \$20,000 a year to \$40,000, and then would you think about whether you could guarantee a loan for the dollars we need — about \$200,000 — to build this building? If you do that, we'll be able to get a little lower interest rate.

So we made the decision to increase our annual grant. I called the Provincial Treasurer and said to him: what do you think about guaranteeing this loan for \$200,000? He and I agreed that it would be a very good idea. Then we got down to the situation where I had written him a letter and made the commitment; the legal beagles got together, and for the first time in several months they all gave the same opinion. We had no authority, power, or vehicle under which we could provide a \$200,000 guarantee of a loan. I have to think that the legal opinion was right in this case, so the end result of all this is that you have a Bill before you, The Department of Municipal Affairs Amendment Act, that allows the Provincial Treasurer after authorization by the Lieutenant Governor in Council to guarantee a loan to the Alberta Urban Municipalities Association.

In the event that similar requests are made by a similar organization, the rural MDs and counties and regional planning commissions, who incidentally are in much the same position in this province, I thought I should add them. This Act, with the blessing of the Members of the Legislative Assembly, will allow me to meet the commitment I made several months ago to the Urban Municipalities Association.

MR. KOZIAK: Mr. Speaker, I would like to say a few words in support of this Bill on second reading for two reasons, primarily because a similar exercise was under-

taken in connection with the Alberta School Trustees' Association a number of years ago, when we moved to guarantee a loan by that organization to provide moneys at a lower interest rate. But the prime reason I wanted to rise in my place this evening and support this legislation is because the Alberta Urban Municipalities Association has made the wise decision of locating their offices in the constituency of Edmonton Strathcona, overlooking the beautiful North Saskatchewan River. [interjections]

[Motion carried; Bill 44 read a second time]

#### **Bill 46**

#### **The Societies Amendment Act, 1980**

MR. KOZIAK: Mr. Speaker, I move second reading of Bill 46, The Societies Amendment Act, 1980. It's probably unnecessary for me to repeat the remarks I made on introduction of the Bill. Basically the points the Bill deals with are the same ones I enumerated during the course of first reading. The most significant of those is the one that will require a society to keep a register of all its members and to make that register available to members of the society on payment of a small fee.

[Motion carried; Bill 46 read a second time]

#### **Bill 48**

#### **The Election Amendment Act, 1980**

MR. McCRAE: Mr. Speaker, I would like to move second reading of Bill 48, The Election Amendment Act, 1980. I should say a couple of words in explanation of this very brief Bill. It is simply to provide an increase in the stipend or salary that is paid our Chief Electoral Officer.

Members will recall that an all-party select committee of this Legislature reviewed the appointment of that gentleman in the late fall of last year and on January 29, 1980, reported to the hon. Speaker, the Legislature not being in session at that time, that we had agreed to the reappointment of Mr. Kenneth A. Wark as our Chief Electoral Officer. At that time, even though the question of salary was not within the directives of the Legislative Assembly to the committee, we did recognize that he had not had a salary increase since his appointment some two years before, and therefore recommended an increase to the figure of \$49,000, which falls within guidelines and was a matter of discussion with the Chief Electoral Officer when we discussed his reappointment. It was an understanding between the committee and him that there would be a salary increase. So although it is not a commitment, it is certainly a very definite understanding with him. We urge all members to support Bill No. 48.

[Motion carried; Bill 48 read a second time]

#### **Bill 49**

#### **The Trust Companies Amendment Act, 1980**

MR. PAHL: Mr. Speaker, in moving second reading of Bill 49, The Trust Companies Amendment Act, 1980, I would like to highlight three areas of significant change proposed in this legislation.

First, I would like to comment briefly on the history of trust companies in western Canada. That history, I understand, has been somewhat checkered. I'm sure this history is understandable in light of the traditionally

narrow and limited financial base of the province pre-1970. Of course that shallow and narrow base has dramatically expanded to the point where Alberta is becoming a financial centre in western Canada. Mr. Speaker, the requirement for a trust company to have a minimum initial capitalization of \$2 million as compared to \$0.5 million previously has done much to assure the continued financial viability of Alberta trust companies. Thus the increasing sophistication of the Alberta financial sphere and the increased financial viability of the trust company industry have created a climate where legislative change can serve to continue to protect the interests of Alberta citizens and enable the financial community to better serve Albertan's needs.

Mr. Speaker, dealing with the proposed amendments in the sequence appearing in the Bill: a repeal of Section 65, which in the main prohibited the holding of the shares of one trust company by another and prohibited the holder of shares of a trust company from using those shares as collateral for a loan from a trust company.

The second significant amendment is to Section 136, which presently requires disclosure of estimated borrowing costs and fees to borrowers at the time of application for a loan, and within 24 hours of signing a loan, the full actual cost of borrowing. The proposed amendments provide for the waiver of full disclosure of the costs of loans for certain sophisticated borrowers who are well aware of the cost of loans. By way of example, this exemption will remove some of the delays and red tape for builders who are building a large number of housing units with a large number of identical but individual mortgages.

Mr. Speaker, the third and final amendment that bears highlighting in second reading of Bill 49 is aimed at making the statutory and regulatory procedures for trust company amalgamations and operations more consistent with present day needs and the requirements of other jurisdictions.

I would therefore ask hon. members to assent in principle to second reading of Bill 49.

[Motion carried; Bill 49 read a second time]

#### **Bill 51**

#### **The Alberta Emblems Amendment Act, 1980**

MRS. OSTERMAN: Mr. Speaker, I move second reading of The Alberta Emblems Amendment Act, 1980.

[Motion carried; Bill 51 read a second time]

#### **Bill 54**

#### **The Defamation Amendment Act, 1980**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 54. The Defamation Amendment Act, 1980.

Mr. Speaker, I will just make a few remarks with regard to the subject. I believe hon. members are fairly familiar with the principle, but it is an important change in defamation law in the province. A number of other provinces have recently seen fit to make similar changes in legislation. It all arises from a decision in a specific court case which appeared to change the law in the minds of many who had believed that the defence of fair comment would have been available under the circumstances of a case heard in the province of Saskatchewan two or three years ago, and ultimately appealed to the Supreme Court of Canada where the judgment of the

trial judge was affirmed.

In that case a member of the Saskatoon city council had been the victim of disgraceful language used in a letter to the editor in the Saskatoon daily newspaper. When he, predictably, commenced legal proceedings for defamation against the newspaper, it appeared that the two authors of the letter to the editor were no longer within the jurisdiction. Therefore the plaintiff sued only the newspaper. To the best of their ability the newspaper brought in the defence of fair comment.

Mr. Speaker, I'll just pause a moment to indicate that I think it is clear in the law that in all but unusual cases the defence that a statement is a fact would be a defence to a claim that a person had been defamed. Since so many things are expressed by way of opinion and are not easily provable as fact, over the years the law has therefore developed the defence of fair comment.

The finding of the Supreme Court in that case was that because the creator of the defamatory material was not before the court, the other defendant who was before the court was not entitled to raise the defence of fair comment unless the defendant's case included a plea that the defendant newspaper shared the opinion of the writers of the letter. Since they could not say they did, they were not allowed to plead that in defence.

Now those are the relatively technical circumstances of the case I've referred to. What is proposed in this legislation is that it would not be a bar to raising the defence of fair comment simply to have circumstances such as I've described repeated; in other words, the mere absence of a view on the part of a defendant that the opinion expressed in circumstances such as a letter to the editor, the mere absence of the view of the publisher that he shared that opinion would not bar the defence of fair comment. It does not mean of course that any opinion can be expressed without possible sanctions from a plaintiff in court; it only means that the particular defence is not barred and may be pleaded. The proposed amendment also provides that of course the defence is not available to a person who is motivated by malice, one of the principles of defamation law which is also well established over the years.

So, Mr. Speaker, that's perhaps a sufficient explanation of what is an important proposed change to the defamation law of the province of Alberta. I might just add that in my view the attention that is being drawn to this also raises questions of perhaps other amendments that should be considered in future sittings of this Assembly in regard to other matters in the same legislation. It's not my purpose to speak to that point tonight, but I think perhaps a number of hon. members share the view that, having sort of defined the issue in the sense of bringing forward this amendment at this time, undoubtedly other issues will also arise in respect to that very important legislation.

Mr. Speaker, I move second reading of Bill No. 54 at this time.

DR. PAPROSKI: Mr. Speaker, I'd just like to make a few comments on The Defamation Amendment Act, 1980. I think it's very important in that it's a central principle of law that should not be ignored, and is not now being ignored by this province. I think it's a proper amendment which is just, as it should be. I suggest the people of Alberta and the members of the Legislature would have it no other way. I wanted to make those brief comments, and I'd like to compliment the Attorney General for bringing in this change, which I urge all



members of the Assembly to support.

Thank you.

[Motion carried; Bill 54 read a second time.]

**Bill 55**

**The Election Finances and Contributions  
Disclosure Amendment Act, 1980**

DR. REID: Mr. Speaker, in moving second reading of Bill 55, The Election Finances and Contributions Disclosure Amendment Act, 1980, I'd like to make only a few comments. The philosophy of the election finances and contributions Act which was first passed in 1977 is to have disclosure of the sources of political funding in this province, and to place some reasonable limits on the amounts that can be contributed to registered parties, registered constituencies and, at the time of elections, registered candidates. In Bill 55 there is no change in that philosophy. With three exceptions, the proposed amendments to this Act are intended to clarify the wording and to reduce confusion, some of which arose at the time of the last election.

Mr. Speaker, the political process, rightfully I think, depends to a large degree on the involvement of volunteers. Many of those are involved only at the time of an election, every four or five years. Hopefully, the amendments will make the Act clearer for those volunteers, and also make the handling of finances, the recording, and the necessary bookkeeping to do with those finances as straightforward as possible.

The exceptions to such housekeeping amendments are found in Section 1, where the campaign period is reduced from four months to two; in Section 6, where instead of locking in until the next election funds that had been placed in trust by a candidate, they can be released from time to time in between elections, but only to registered parties or registered constituencies; and in Section 8, where contributions to a political party are, hopefully, clarified. The campaign figure for contributions to a registered political party will now be referred to as \$20,000, less any amount contributed toward the normal annual figure of \$10,000, thereby hopefully avoiding any artificial distinctions, while slightly increasing the overall maximum amount that can be contributed to a registered political party during an election year only. This one increase is of significance primarily to new political parties or those with a very narrow base, rather than to the

established widely based political parties in the province.

The other contribution limits under The Election Finances and Contributions Disclosure Amendment Act, 1980, remain unchanged. Mr. Speaker, I would move second reading of Bill 55.

Motion carried; Bill 55 read a second time]

**Bill 57**

**The Public Inquiries Amendment Act, 1980**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 57, The Public Inquiries Amendment Act, 1980. I do not think it is necessary to say much more in respect to second reading of this Bill than I did upon introduction a few days ago. It is an amendment which is entirely consistent with the thrust of long-established legislation which empowers inquiries to be held in the province by way of a commissioner or a board of commissioners. Over the years, this legislation has been extremely effective and has been little changed. The change that is being proposed at the present time merely makes it abundantly clear that in the event a commissioner wishes to have the advantage of services of experts and others in the carrying out of the duties of the commission, it's within his jurisdiction, under the statute, to do so.

I might say, Mr. Speaker, that the intent is to enhance the ability with which commissioners can make inquiries into circumstances where they're charged with those responsibilities in the province. The desire is that inquiries in such circumstances be searching and vigorous. We believe the proposed amendment will help in that regard.

[Motion carried; Bill 57 read a second time]

MR. CRAWFORD: Mr. Speaker, before adjourning until tomorrow, I would just indicate that when I remarked earlier to hon. members that after question period tomorrow we would start with the study of Bills in committee, I might have added that we would not propose to proceed with two of the Bills in committee, Bill No. 5 and Bill No. 8. Other ones, depending on the availability of the members sponsoring the Bills, would pretty well be taken in the order shown on the Order Paper.

[At 9:58 p.m., on motion, the House adjourned to Friday at 10 a.m.]

