

**LEGISLATIVE ASSEMBLY OF ALBERTA****head: INTRODUCTION OF SPECIAL GUESTS**

Title: **Wednesday, October 29, 1980 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

**head: NOTICES OF MOTIONS**

MR. HYNDMAN: Mr. Speaker, I wish to give oral notice of a government motion to be moved in this Assembly Friday, October 31:

Moved by Mr. Hyndman:

Be it resolved that this Legislative Assembly condemns the federal government for the provisions of the federal budget and energy program of October 28, 1980, and for those of its constitutional measures

- which directly attack and undermine the historic ownership rights of Albertans with respect to their depleting non-renewable natural resources,
- which take away from Albertans the opportunity to obtain fair compensation for the sale of the depleting non-renewable natural resources which they own,
- which will weaken the national economy and jeopardize Canada's opportunity of reaching oil self-sufficiency by 1990.

**head: INTRODUCTION OF BILLS****Bill 82****The Alberta Government Telephones  
Amendment Act, 1980**

DR. WEBBER: Mr. Speaker, I beg leave to introduce Bill No. 82, The Alberta Government Telephones Amendment Act, 1980.

Consistent with trends in the telecommunications industry, this Bill would allow Alberta Government Telephones, first of all, to actively participate in the development of services and products attuned to the needs of AGT customers; secondly, to assist in diversifying Alberta's economy, through such actions as joint ventures with the private sector, where specific research, development, and manufacturing opportunities exist; and thirdly, to participate in telecommunication consulting opportunities. These provisions would complement the basic services Alberta Government Telephones provides to all Albertans.

[Leave granted; Bill 82 read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. BOGLE: Mr. Speaker, I would like to table the 1978-79 annual report of the Department of Social Services and Community Health. A copy will be made available to each hon. member.

MR. HYNDMAN: Mr. Speaker, I am pleased today to introduce nine grade 6 students from James Gibbons in the riding of Edmonton Glenora. They're in the members gallery and are accompanied by Mr. Bob Hopchin. I would like to ask at this time that they rise and be recognized and receive the welcome of the Legislative Assembly.

MRS. LeMESSURIER: Mr. Speaker, it gives me great pleasure to introduce to you, and through you to the members of this Assembly, 45 students from Victoria Composite high school, which is in my constituency of Edmonton Centre. They are seated in the public gallery and are accompanied by their teacher Miss Helen Steele. I ask that they rise and receive the welcome of the House.

Mr. Speaker, it also gives me great pleasure indeed to introduce to you, and through you to the members of the Assembly, 25 students from the Alberta Vocational Centre. They are seated in the members gallery and are accompanied by their teachers Mrs. Heather Morgan and Mrs. Laure Ho. I would ask that they rise and receive the welcome of the Assembly.

**head: ORAL QUESTION PERIOD****Federal Budget**

MR. R. SPEAKER: Mr. Speaker, my question is directed to the Minister of Energy and Natural Resources and is with regard to the federal budget. In the budget announcement the wellhead price is indicated to increase until it reaches the reference price. I wonder what action the Alberta government will take with regard to that price-setting in a provincial jurisdiction by the federal government. Does the province plan to take legal action relative to that unilateral action?

MR. LEITCH: Mr. Speaker, the question relates to the regrettable federal unilateral action in telling the people of Alberta the price they shall receive for a very rapidly depleting resource of conventional oil. We will be having a meeting of the government caucus this evening to discuss the possible action the Alberta government will be proposing with respect to the federal budget and the energy program that was announced at the same time. Mr. Speaker, I expect that action will be announced sometime tomorrow.

MR. R. SPEAKER: Mr. Speaker, a further question to the Minister of Energy and Natural Resources. Under provincial legislation we can establish the price of oil within our boundaries. Would one of the alternatives considered by the government be to use our provincial legislation to set a price maybe different than the federal government has established at the present time?

MR. LEITCH: Mr. Speaker, for some time we have been considering all the possible actions the provincial government might take in response to unilateral federal action on provincial resources. As I indicated in my earlier answer, tonight at a meeting of caucus we will be exploring all those possible courses of action. I anticipate that decisions will be taken and announcements made very rapidly.

As to commenting on any specific action that might be

taken, Mr. Speaker, I wouldn't be able to do that until we've had the meetings and discussions I referred to earlier.

MR. OMAN: A supplementary, Mr. Speaker, again to the Minister of Energy and Natural Resources. Could the minister give any indication to the House with regard to the percentage of world value or present value of oil that is represented in the federal budget? In other words, what percentage would it be of the value we put on it, and how would that compare with the agreement we made with the former government in December?

MR. LEITCH: Mr. Speaker, it is clear that the federal government is endeavoring to impose on the people of Alberta a pricing regime for conventional oil and natural gas that over the time frame of the next few years will be less than 50 per cent of the value of those resources.

When taken in comparison with the agreement we had negotiated with Mr. Clark's administration, Mr. Speaker, that indicates that under the federal budget and the energy program announced last night, we would be receiving a much lower percentage of actual value than would have been the case under the agreement with Mr. Clark's administration. Under that agreement, the price of conventional oil would have reached 75 per cent of value by January 1, 1983, and 85 per cent of value by January 1, 1984.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Minister of Energy and Natural Resources, with regard to domestic natural gas. Between the price increase of 30 cents, the tax increase of 30 cents, plus the 8 per cent tax involved, the consumer in Alberta could potentially have a price increase of around 76 cents. Could the minister clarify that at the present time? Would that be the effect on Albertans?

MR. LEITCH: Mr. Speaker, I could neither agree nor disagree with the mathematics the Acting Leader of the Opposition has just given the Assembly. I doubt that the 8 per cent tax to which he refers would have a bearing on the price at the burner tip or the price to the consumer. As to the price increases that would flow from the tax imposed on the domestic use of natural gas, I would have to check the budget and energy program documents to be sure of those numbers. But I do not believe they reach the 76 cent figure within the time frame you were referring to. As a matter of fact, I think they go up in increments of 30 cents and 15 cents, so they can't be quite 76. As I said, I don't think the 8 per cent tax to which he refers would impact directly at the burner tip or on the consumer. It may have an indirect impact but not, as I recall, a direct impact.

MR. SPEAKER: The hon. Member for Edmonton Whitemud, followed by the hon. Member for Spirit River-Fairview, and then the hon. Member for Edmonton Mill Woods. I see now the hon. . . . Perhaps we shouldn't stack them up too high.

MR. KNAAK: Mr. Speaker, a supplementary question. There seems to be some confusion concerning the export tax on natural gas. The federal minister indicated they were not imposing an export tax when in fact they were imposing a tax on exports and on domestic sales as well. I wonder if the minister could indicate whether the federal export tax is in fact the kind of tax this government

feared, and what implications the domestic tax would have on the province of Alberta — the prices and possible revenues.

MR. SPEAKER: I hesitate to interrupt the hon. minister. If the House wishes to introduce sufficiently broad latitude to the question period on this particularly important topic insofar as Alberta is concerned, perhaps that type of question could continue. But it seems to me we're all trying to see what sort of calculations the hon. minister has made with regard to matters of public knowledge.

MR. LEITCH: Mr. Speaker, perhaps I could respond to the question without reference to calculations. In that respect, my response may meet the concern you've so well expressed.

Mr. Speaker, the type of tax imposed is clearly in part an export tax on natural gas. The balance of it — that is, the tax on domestic gas — in effect is clearly a wellhead tax. This government has expressed the same level of opposition in principle to a wellhead tax, or any tax that is in effect a wellhead tax, as it has expressed to an export tax. In fact, Mr. Speaker, we need not go back very far in this House when I recall the hon. Premier referring to our opposition to a wellhead tax, or anything that had the same effect as a wellhead tax, in the same terms as an export tax on natural gas.

MR. NOTLEY: Mr. Speaker, my supplementary question to the hon. minister arises from the unilateral action in setting the price yesterday in the budget. Is the government considering following up on the point the Minister of Finance made on page 8 of the Budget Address? Mr. Speaker, with your permission, I quote that for the minister:

For provinces willing to enter into agreements on the basis of prices set out in the National Energy Program, the federal government is prepared to rescind the pricing regulations.

Mr. Speaker, bearing in mind the concern of Alberta about the unilateral action of setting a price under the federal Act, is the government considering a counter-proposal to Ottawa, not on the basis of the entire pricing schedule, which I agree falls short of the Alberta proposal, but a pricing schedule over a period of two years, where there is some comparability?

MR. LEITCH: Mr. Speaker, I'm not sure I can respond to the hon. member's question, because I'm not sure I was able to relate to the section of the document from which he quoted. I'm not sure it didn't relate to the question of an arrangement in place between the provincial government and the federal government with respect to the pricing of natural gas in Canada.

As I interpreted his question — and if my interpretation is wrong, I'm sure the hon. member will tell me — he's asking whether we are now prepared to enter negotiations in respect of this on a piecemeal basis. My response to that is: I would not want to be in the House trying to defend to the people of Alberta all or any part of the proposals in that energy program or budget imposed on Alberta last night.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. The paragraph on page 8 deals with both oil and natural gas. Specifically, my question to the minister is: in view of the concern over the precedent of the federal Act being used unilaterally by the federal

government, is accepting not the entire package but part of that package over a period where the prices set out by this government in the hon. Premier's submission to the Prime Minister last July and the package are comparable, an option that the Alberta government would consider?

MR. LEITCH: Mr. Speaker, I regret that I don't follow the intent of the hon. member's question. Perhaps he can be more specific.

MR. NOTLEY: Mr. Speaker, the supplementary question to the hon. minister. Perhaps you will permit a word of explanation. It would seem to me that all members of the House are concerned about the precedent established by unilateral action by Ottawa in setting the price. Since the federal Minister of Finance has indicated that the federal government might be prepared to rescind the pricing regulations under The Petroleum Administration Act, should an agreement be entered into, my question specifically to the government is: at this late stage, would the government of Alberta be prepared . . .

MR. PAHL: A point of order, Mr. Speaker. I believe I was in line for a supplementary question before the hon. Member for Spirit River-Fairview got lost in detail that appeared to me, with great respect, to be an entirely different track, and an obscure one at that, sir. [interjections]

MR. NOTLEY: On the point of order, I was simply responding to a request for additional clarification by the hon. minister.

I put my question again very directly to the government: at this late date, would the government be prepared to make a counter-offer on the question of pricing, not for the whole of the period but for a limited period, where there is some comparability in the pricing?

MR. LEITCH: Mr. Speaker, I think I now understand the thrust of the hon. member's question. If he is asking whether we would be prepared to enter into an agreement, thereby accepting what they have threatened to impose unilaterally to avoid the precedent of setting prices under the legislation, let me answer very clearly and definitely that we would not. If he's saying, would you be prepared to negotiate with the federal government, all I can say is that we have been prepared for many, many months, and have endeavored to negotiate with the federal government. I think now, subsequent to the budget and the energy program, it's appropriate for me to make very clear that in my judgment all the discussions between this present federal administration and our government could never have been called negotiations. In my judgment there was never an intention on the part of the federal government to reach an agreement with Alberta on these critical issues.

MR. NOTLEY: A supplementary question for clarification, Mr. Speaker.

MR. SPEAKER: It seems to me we've spent a great deal of time on the clarification of this question. Perhaps the hon. member might put a final supplementary.

MR. NOTLEY: Mr. Speaker, for clarification to the hon. minister. Do I take it that the minister is saying that the door is open at this stage for further negotiations? I say that on the basis of this statement here. [interjections]

Just hold on; you'll have a chance to ask your question in a minute. Is the door in fact open for further negotiations?

MR. LEITCH: Mr. Speaker, I think we've made it abundantly plain that we were always willing, and tried very hard to find a way to avoid the tragedy we're now in.

MR. PAHL: Mr. Speaker, my supplementary question is directed to the Minister of Energy and Natural Resources. I appreciated his non-quantitative explanation that a natural gas export tax is a natural gas export tax, even if it's called a natural gas tax. I would ask the hon. minister whether the same condition would apply to a petroleum and gas revenue tax vis-a-vis a wellhead tax.

MR. SPEAKER: Is the hon. member asking the minister to label a tax? Is that the purport of the question?

MR. NOTLEY: It's a legal question. Take it over again.

MR. PAHL: Mr. Speaker, perhaps I could rephrase the question. Would the hon. Minister of Energy and Natural Resources care to advise the House whether the petroleum and gas revenue tax would have the same effect as a wellhead tax?

MR. SPEAKER: I'd say the question is of extremely doubtful acceptability. Possibly the hon. member is trying to get at something he's having difficulty in phrasing.

MR. NOTLEY: Try again, Milt. You'll get it right.

MR. PAHL: With great respect, Mr. Speaker, it took me so long to raise my supplementary, I guess that might have clouded the issue. [laughter]

I wonder if the minister could provide information to the House as to whether the proposed wellhead, or the threat of a wellhead tax, would have the same effect as the petroleum and natural gas revenue tax that is contained in the present budget.

MR. LEITCH: Mr. Speaker, I would need some more time to study the details of the tax to which the hon. member refers, and wouldn't be able to respond to his question today. It'll be some time until we're able to work through all the details of those rather massive documents produced last night.

DR. BUCK: Mr. Speaker, a supplementary question to the Minister of Economic Development. In the budget speech, Mr. Minister, the net increase of exploration in Alberta will be substantial. Can the minister indicate if the minister or the department has had an opportunity to look at what the cost will be, because multinational foreign oil companies will be taxed at a higher rate than Canadian companies? Can the minister indicate if they've given any consideration to finding out what detrimental spinoff effects that will have on jobs and service industries in this province?

MR. PLANCHE: Mr. Speaker, we haven't had time to do forecasts of what the results of this budget might be. Now that it's clear what the budget is, we've done some scenario studies according to a wide variety of estimates, and the news is never good.

DR. BUCK: Mr. Speaker, can the minister indicate if that information could be made public?

MR. PLANCHE: It was prepared for my colleagues in caucus, Mr. Speaker, and isn't in a formal sense. But as the ramifications of the budget become clear, there's no question that that kind of information will become public.

MR. MANDEVILLE: A supplementary question, Mr. Speaker, to the Minister of Economic Development. Has the minister had any consultation with the federal government with regard to the proposed western development fund?

MR. PLANCHE: No, Mr. Speaker.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Would it be the minister's intent to make representation to the federal government to see that we are able to put some of this fund into getting better transportation, and the lack of processing in western Canada and Alberta?

MR. PLANCHE: Mr. Speaker, the detail of that is not public yet. We were of the view that on July 25, when we offered \$2 billion of unconditional grants to upgrade the transportation system in western Canada as part of the energy package, we were doing it responsibly, because we had the funds. There's some indication that they're going to make an offer of \$4 billion; it appears that it'll likely be our funds they're going to be offering.

MR. NOTLEY: A supplementary question to the hon. minister. Has the government made any judgment as yet on the question of this \$4 billion western development fund, or will that judgment be made tonight? Is it the view of the government that this fund is part of an unpalatable budget, and therefore no negotiation will take place as to how it will be used? Or has the government made any decision with respect to the \$4 billion western development fund?

MR. PLANCHE: Mr. Speaker, I couldn't comment on that. I haven't seen any of the detail of the mysterious \$4 billion fund.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Federal and Intergovernmental Affairs. Could the minister advise the Assembly whether it's the view of the government that the \$4 billion western development fund is inextricably linked to the budget, which the government finds unsatisfactory, or is it an issue that could be considered separately?

MR. JOHNSTON: Mr. Speaker, I think the comments of the Minister of Energy and Natural Resources and the Minister of Economic Development properly put that into context. We'll be addressing that. As soon as we get information, we'll be speaking to that specifically.

MR. COOK: A supplementary question, Mr. Speaker. Would the Minister of Economic Development entertain hiring the hon. Member for Spirit River-Fairview as an consultant, since the NDP is so good at selling out both the west and the province of Alberta in negotiating with the Liberals. [interjections]

MR. SPEAKER: Order please. That question having answered itself, perhaps we could proceed to the hon. Member for Clover Bar.

AN HON. MEMBER: You sold us out, Grant.

DR. BUCK: Mr. Speaker, to think that got elected. It just proves they'll vote for anybody in this province, I guess including me. [laughter]

Mr. Speaker, my question is to the Minister of Energy and Natural Resources. Can the minister indicate if there have been any communications between the minister and the executive officers of Suncor, in light of the fact that the price Suncor was receiving was a world price, but now will revert to a lower price because the federal government didn't want to see them getting windfall profits? Has the minister had any communications with that company as to that change in the budget last night?

MR. LEITCH: Yes, Mr. Speaker, I've had discussions with officials of Suncor from time to time regarding the price for the petroleum from their plant. As members of the Assembly would be aware, as a result of having a gross royalty provision with Suncor, the provincial government has a direct interest in the price that is paid for the production from that plant. But I wouldn't feel it appropriate for me to comment in the House on the positions that will be taken or the view of that company. I'm sure the company will be making its views known in one fashion or another.

MR. KNAAK: A supplementary, Mr. Speaker.

MR. SPEAKER: Followed by a final supplementary by the hon. Member for Clover Bar. I realize the subject is of great importance, but I have a considerable list of members who wish to ask questions, and I have no reason to assume that some of those may not be on the same subject.

MR. KNAAK: Thank you, Mr. Speaker. My supplementary on this energy matter is to the Provincial Treasurer. If the federal government in fact does buy one of the large multinational integrated oil companies, I wonder whether it would have a significant impact on Alberta corporate tax revenues? Of course, that's on the assumption that subsequent to the purchase of a large international oil company, it would be deemed a Crown corporation.

MR. SPEAKER: Possibly we might deal with this hypothetical situation in a different way.

DR. BUCK: Mr. Speaker, a supplementary on the question of tar sands to the Minister of Energy and Natural Resources. Can the minister indicate if he's had an opportunity to look at the situation as the budget applies to the proposed Alsands and Cold Lake plants? Is the minister in a position to indicate if, under this budget, there's a possibility that those two plants will take off immediately?

MR. LEITCH: I'm not sure what the hon. member means by take off immediately.

DR. BUCK: Start construction, then, Mr. Speaker.

MR. LEITCH: Mr. Speaker, I think the question of the impact of the budget on future oil sands plants is twofold; one, of course, the developers or builders of those projects have to make a decision in respect of the pricing proposal contained in the budget, which as I recall was \$38 as of January 1, 1980, and increasing by the consumer price index, which incidentally may or may not have any relationship to the actual price increases in respect of the construction and operation of those plants. The only other matter I could draw to the member's attention in response to his question is that when we were negotiating with Alsands and Esso what we've been calling the commercial terms or a royalty arrangement in respect of the two plants, we were doing so on the basis that the plants would attract international prices.

MR. R. SPEAKER: Mr. Speaker, a final supplementary, and final question as well, to the Minister of Energy and Natural Resources. It's relative to the strategy that will be used and considered by the government over the next two days in its actions towards and against Ottawa. Would one of the options being considered be the use of the referendum legislation that's before us here in the Legislature?

MR. LEITCH: Mr. Speaker, I don't think I could speculate today on what possible actions the government might propose over the coming days, weeks, or even months.

MR. R. SPEAKER: Is it one of the options?

MR. LEITCH: Mr. Speaker, I can assure the hon. Acting Leader of the Opposition that we will consider all possible actions that might be taken by the provincial government to defend the people of Alberta against this unilateral action by the federal government.

MR. SPEAKER: The hon. Member for Calgary North Hill, followed by the hon. Member for Barrhead.

MR. OMAN: Mr. Speaker, I snuck mine in under a supplementary.

#### **Meat Packing Industry**

MR. KOWALSKI: Thank you, Mr. Speaker. My question is to the Minister of Agriculture. On Friday last, Pocklington Financial Corporation of Edmonton purchased Swift Canadian Co. Ltd. Were any Alberta government funds involved, either directly or indirectly, in this takeover by Pocklington Financial Corporation?

MR. SCHMIDT: None, Mr. Speaker.

MR. KOWALSKI: A supplementary, Mr. Speaker. Were you, as Minister of Agriculture, consulted by Pocklington Financial Corporation prior to the takeover?

MR. SCHMIDT: No, Mr. Speaker.

MR. KOWALSKI: A supplementary, Mr. Speaker, again to the Minister of Agriculture. This takeover reduces competition in the meat packing industry in northern Alberta by one. Have you had an opportunity yet to assess what impact this ...

MR. SPEAKER: Could the hon. member revert to the ordinary parliamentary form of address.

MR. KOWALSKI: To the Minister of Agriculture. Have you had an opportunity yet to ... [laughter] Could the minister provide me with an assessment, if he's had an opportunity yet to determine what impact this might have on livestock prices in both the short and medium term?

MR. SCHMIDT: Mr. Speaker, it's certainly far too early in the game in the takeover to assess what will happen in marketing. The purchase by Gainers and the addition of Swift Canadian does two things: one, I suppose it diminishes the bidding by one in establishing the market, and that certainly has to be on the downside; however, the purchase by an Alberta-based company seems to give some stability to a fairly large operation now, with the combination of Gainers and Swift's being based here in this province. The future will tell the effects it would have on basic marketing itself, but at the present time it would appear that some benefits would accrue to all producers in the province.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In view of the concern expressed by a number of farmers about the reduction of bidders by one, and now just two major concerns in the Edmonton area, will any formalized mechanism be developed by the Department of Agriculture to monitor this on an ongoing basis, or will it essentially be left up to normal operations?

MR. SCHMIDT: Mr. Speaker, I'm sure all hon. members are aware of the ongoing study with regard to marketing as it pertains to the hog industry. Of course, that's monitored on a daily basis, working with the marketing council, the marketing boards, and the packers themselves. That monitoring certainly could go beyond the hog industry and include the beef industry as well. So I would say, yes, there will be some monitoring. We'll be watching the market to see what effect the purchase has made by the diminishing by one company, which really added to the numbers that establish the basic market for this part of the province.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister saying the terms of reference of the Foster commission will be expanded to include a review of price competition in not just hogs but beef cattle, or are we going to look at some other mechanism?

MR. SCHMIDT: Not at all, Mr. Speaker. The job of the special select group doing the study on the hog industry itself will still be tied and will complete that job. We'll be looking for a further study with regard to the beef industry and the packing industry in total.

MR. NOTLEY: One further supplementary question to either the hon. Minister of Agriculture or the hon. Minister of Labour. Has there been any assessment by the government as to the impact of the integration of Swift's into the Gainers operation on jobs in the packing industry in Edmonton over the next several years?

MR. SCHMIDT: Mr. Speaker, it's difficult to assess over a period of several years, but at the present time there are no indications that there would be a loss of jobs because of the purchase.

### **Rail Line Abandonment**

MR. L. CLARK: Thank you, Mr. Speaker. My question to the Minister of Economic Development is with regard to the abandonment the CPR is planning between East Coulee and Carbon. In view of the importance of this rail line to the Drumheller valley and the surrounding farm area, could the minister inform the Assembly as to what steps he is taking, if any, or contemplates taking, with regard to having this abandonment stopped?

MR. PLANCHE: Mr. Speaker, I think the abandonment of that rail line fell under the Hall report classification of lines. It will proceed, because it's been agreed upon. The extenuating circumstance, though, if I am correct, is that an Allied Chemical plant is also on there that, to survive, may require the rail line to stay intact. I'd be happy to work my way through that and make a representation if it's valid.

MR. L. CLARK: A supplementary question, Mr. Speaker. In view of the fact that the Allied Chemical plant will be down the valley, could the minister inform the Assembly if he would be willing to make representation to the hearings taking place on November 6 in Drumheller on this abandonment?

MR. PLANCHE: Mr. Speaker, in view of the fact that I'm not altogether certain of the circumstances, I'd like to respond to that question later.

### **Federal Budget** (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct a question to the hon. Minister of Utilities and Telephones, with respect to the impact of higher natural gas prices announced in the budget yesterday. We've had changes in the natural gas protection plan announced by the government of Alberta. Will there be any major modifications in provincial shielding for natural gas prices as a consequence of the price regime announced yesterday?

MR. SHABEN: Mr. Speaker, as indicated earlier by the Minister of Energy and Natural Resources, we are assessing the document tabled last night in the House of Commons, as well as all the implications to Alberta consumers. I've started that assessment today and have not yet completed it, so it won't be possible for me to respond as to what sort of action the province might take in that regard.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Agriculture. Has the government given any consideration to rather substantial changes in the farm fuel rebate program as a consequence of the budget? Is this matter now being reviewed? We didn't know the regime until yesterday, but higher prices have been subject to discussion for some time. What contingency plans have been developed to shelter an important user of energy in this province from the adverse effect of higher prices?

MR. SCHMIDT: Mr. Speaker, it is difficult at this time to assess what the actual cost would be and the addition to an input cost in agriculture, other than to say that we will certainly be monitoring the effect and will recognize that any increase made toward an input cost is one we

would be certainly looking at. Over the last two years, we have made a promise to those in agriculture, in looking at the cost of energy as part of an input cost, that in those areas where we as a province, through government, have the availability of change, energy would be provided to the agricultural sector of the province at a rate as low as anyone.

MR. NOTLEY: Mr. Speaker, a supplementary question to either hon. gentleman. Since the almost agreement with the Clark government and the schedule of prices proposed to the Prime Minister by the Premier in July, has either department prepared contingency plans with respect to the appropriate scenarios of shielding, in view of higher prices?

MR. SHABEN: Mr. Speaker, just a few days ago I introduced a Bill that addressed itself to the natural gas rebates and some amendments to existing legislation. That is an important piece of legislation and, in due course, will be debated here at second reading.

As I indicated earlier to the Member for Spirit River-Fairview, we are assessing the impact of the proposals the federal government outlined last night and how they may impact on our consumers. Our preliminary assessment shows there is considerable difference in the types of initiatives recently tabled and those that had been agreed to between our government and the federal government. That impact on consumers is somewhat different.

MR. NOTLEY: A final supplementary question, if I may, to the hon. Minister of Agriculture. Would it be the view of the government of Alberta at this stage that, with the importance of agriculture to the country, Alberta as a province would favor a form of energy supply allocation to farmers throughout Canada at a substantially lower price, regardless of whether they are in Alberta, P.E.I., or wherever they may be?

MR. SCHMIDT: Mr. Speaker, at this time it's too early to arrive at a figure that would establish a basic policy, other than to reaffirm to the hon. member that in regard to energy and those involved in the agricultural industry in this province, we will certainly look after their basic interests as it's part of their input cost.

### **Public Service Negotiations**

MRS. CHICHAK: Mr. Speaker, my question today is directed to the hon. Minister responsible for Personnel Administration. I recollect that the hon. minister advised the House about a week ago that a decision was to be forthcoming today with respect to the application the government made for binding arbitration in the negotiations between the government and Division 1; that is, the clerical group of the public sector employees.

MR. STEVENS: Mr. Speaker, I first apologize to members. It was a basket I kicked and not a bucket.

I am pleased to respond to the Member for Edmonton Norwood. The Public Service Employee Relations Board did, in fact, direct the government of Alberta and the Alberta Union of Provincial Employees to go back to the bargaining table. We took that direction responsibly, and the two parties met yesterday, October 29.

MRS. CHICHAK: A supplementary question, Mr. Speaker. I wonder if the hon. Minister could be a little

more explicit insofar as what progress has been made since they returned to the bargaining table.

MR. STEVENS: Mr. Speaker, there are about 10,300 employees in Division 1, the administrative and support services division. We met yesterday and will be advising the Public Service Employee Relations Board tomorrow that the Alberta Union of Provincial Employees made major modifications in their position. We have reviewed a number of recent settlements. In fact, a memorandum of agreement was reached late yesterday and will be reported to the board tomorrow.

MRS. CHICHAK: A supplementary, Mr. Speaker. I wonder if the hon. minister could at this time advise of the status of negotiations with respect to three other groups; that is, Division 5, the forestry officers . . . And if I may put my question at this time with regard to Division 8, which touches a little more closely to my constituency; that is, the educational services employees in NAIT and SAIT, and also Division 11, with regard to the general and field support services, the caretakers and groundskeepers.

MR. STEVENS: Mr. Speaker, three divisions remain to be resolved. The first one the member referred to, Division 5, is our forestry and natural resources conservation group. That division and the government of Alberta reached a memorandum of agreement on Monday afternoon. It will be subject to ratification of the employees.

The other two cases, Division 8 and Division 11, are being presented to the Public Service Employee Relations Board this Friday, to determine whether arbitration by the Public Service Employee Relations Board should proceed.

#### **Plant Closure — Two Hills**

MR. BATIUK: Mr. Speaker, I would like to direct my question to the Minister of Economic Development. Last spring the 51 per cent provincial government-owned Two Hills Chemical Co. announced its intention to cease operation. Much concern was expressed by the community and the employees. Could the minister advise what state of progress has been made for relocation or placement of the employees who worked there.

MR. PLANCHE: Mr. Speaker, the decision taken to close that plant was very difficult. I'm happy to say that [through] the co-operation of Western Truck Body, Two Hills Chemical, the town of Two Hills, and the MLA, everybody has a job who wants one, so the thing is happily ended.

MR. BATIUK: A supplementary, Mr. Speaker. Could the minister advise at what stage Western Truck Body is operating? And since part of the Two Hills Chemical plant that was going to be demolished is still standing, is the intention that it may be used for something else?

MR. PLANCHE: Mr. Speaker, that kind of information wouldn't come to our department. That's a private-sector decision, and I'm not advised of it.

#### **Telecommunications Research**

MR. PAHL: Mr. Speaker, my question is to the Associate Minister of Telephones. I wonder if the minister could

advise the House whether Northern Telecom has advised him of a commitment to locate their world-scale research facilities in the Edmonton Research and Development Park.

DR. WEBBER: Well, Mr. Speaker, I believe that too would be a private-sector decision. I have not been informed where they would be establishing their plant.

#### **Premier — Presence in Assembly**

DR. BUCK: Mr. Speaker, I would like to ask a question of the hon. Government House Leader. It's not my habit to ask members of the Assembly where they are when the House is sitting. But I'd like to know if the hon. House leader could indicate if the Premier will be available tomorrow afternoon to answer questions in this Assembly.

MR. CRAWFORD: Mr. Speaker, I'm not able to answer that question. The hon. member was probably on the right track at the outset when he said he doesn't usually ask such a question.

DR. BUCK: Mr. Speaker, a supplementary. Can the hon. House leader indicate if the Premier will or will not be available in this Legislative Assembly tomorrow in question period?

MR. CRAWFORD: Mr. Speaker, I've already answered that question. I indicated that I could not say whether or not he would be here tomorrow. I know he would be here if possible.

#### **Hazardous Materials**

MR. COOKSON: Mr. Speaker, I wonder if I could clarify two questions by the Member for Clover Bar yesterday. One had to do with terms of reference regarding the Environment Council of Alberta looking into transportation. I think my response basically was that we didn't think it was included in the terms of reference, but likely there would be submissions on that. I just want to verify that comment as of yesterday.

The other question from the member was with regard to corresponding with industry handling of chemicals in a safe manner. Our department has no directives specifically, except that if a company has asked for our advice, we're prepared to give it.

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MR. NOTLEY: Mr. Speaker, pursuant to Standing Order 29, I move that the normal business of the Assembly be adjourned to debate an issue of urgent public importance; namely, the impact of the federal budget on Alberta.

Mr. Speaker, in very briefly stating the reasons I feel we should set aside the normal order of business this afternoon to discuss this issue, one first of all has to ask the question: are there other opportunities to debate the issue? Members may well point out that we have had Motion 15. But as you will note, Mr. Speaker, many of us have already had an opportunity to debate Motion 15. Therefore, since the budget was tabled yesterday, it would not be possible for a number of members to bring up their concerns under Motion 15.

Hon. government members will point out that we have

had oral notice today of a motion this Friday concerning the federal budget, Mr. Speaker, and that is correct. But I think it is worth noting that a rather significant event is occurring between now and this Friday; that is, tomorrow evening the Premier of the province, we are told, is to make a telecast to the people of Alberta outlining the response of the government of Alberta to the budget presented in Ottawa yesterday.

Now, Mr. Speaker, it seems very crucial to me that before major announcements are made by the government, there be an opportunity in the Legislature — in the open, where there is the record, where *Hansard* can trace every word that is said, so the public can find that their members are totally accountable. It is important, in my view, that there be such a discussion.

There's little doubt that the decisions that will be made on this issue will be among, if not the most important decisions made in the history of the province. And while it may be very nice for members of the Tory caucus to gather tonight, wherever the meeting takes place, and discuss it — and they have a right to do that — nevertheless, Mr. Speaker, we as members of the Assembly not only have a right to request debate but, in my judgment, we have an obligation to call for a debate so that before the government makes the decisions that will be announced to the people of Alberta tomorrow, we've had an opportunity in this House to state some of the concerns, some of the feelings we think should be brought to the attention of other hon. members and to the attention of the people of Alberta before the Premier speaks tomorrow night.

That being the case, because of the rather peculiar set of situations that have developed in this instance, Mr. Speaker, where we've already had the general debate as far as many members are concerned, where the debate that has been suggested by oral notice today is going to be after the Premier's speech, it is my submission that the issue is clearly of such importance that it is vital that members on all sides of the House be heard before decisions are announced. That being the case, it is my submission that there is urgency. If the Assembly is not able to adjourn its normal order of business to debate a question of this kind of urgency, then frankly I would find it very difficult to conceive of any circumstances under which we would adjourn normal business in order to debate a matter of urgent public importance.

Therefore, Mr. Speaker, I request that we take the time this afternoon for all hon. members who wish to participate in this debate to speak for themselves, for their constituents, to the people of Alberta.

MR. CRAWFORD: Mr. Speaker, responding to the remarks of the hon. Member for Spirit River-Fairview, I'll do as he has, and be brief. If I can deal first with the matter raised about the declared intention of the Premier to speak to the people of Alberta tomorrow, I think it is irrelevant to our considerations. That is so because in order to make a successful motion under Standing Order 29, it's necessary for the person moving adjournment to come within the purview of that standing order, and not to create what he would purport to say is potentially a new precedent in respect to that standing order.

For that reason, Mr. Speaker, I would point out that the oral notice provides the opportunity for debate during the session, which is one of the tests that is always looked at in regard to Standing Order 29. Although my hon. colleague, in giving oral notice, did not say at the time that we would be prepared to give more than notice and

in fact give a commitment to call that item on Friday, as House leader I think I'm in a position to make the commitment to hon. members that since that motion will appear on Friday's Order Paper, it will in fact be called on Friday. I think that answers the question of opportunity for debate.

There are just a few other things. Mr. Speaker, I know you're more familiar than the rest of us with citations in *Beauchesne* in this respect; 286 to 288 are extremely relevant. I may refer very, very briefly to them. Even in the introductory remarks, the authors of *Beauchesne* make a second point, in regard to there being "no other reasonable opportunity for debate" as one of the tests: the matter must be one "within the administrative competence of the Government". I suggest that although it is normal and routine to discuss matters that relate to the federal House of Commons in their proper place in our Assembly, under Standing Order 29 that particular test would be destructive of the hon. member's motion.

Mr. Speaker, to conclude. Having referred to the three citations on page 92 of the fifth edition I'll leave them with Your Honour to consider; I won't read from them.

MR. R. SPEAKER: Mr. Speaker, I believe the one point not covered by the Government House Leader was with regard to the urgency of the debate and the need of it at this time. It's one we should consider, if we look at the sequence of events. The resolution placed before us will be debated on Friday; we have that commitment from the government. But at that point in time, the government has gone through a sequence of events: a caucus, where we are certainly not allowed to have any discussion; secondly, a public proposal by the Premier to the people of Alberta, where there will be certain kinds of public debate; and thirdly, on Friday we will most likely hear that this is the government's position. It will be fixed at that point.

However, here today Albertans are concerned about the impact on the oil industry, on job opportunities, and on the agricultural community, and would like to hear something at this time from the government and from the members of the Legislature, to know that the debate is proceeding. It is urgent in their economic lives. I'd certainly urge the Speaker to consider the resolution of the hon. member.

DR. BUCK: Mr. Speaker, in speaking in support of the motion, I can think of no issue more important than this, because this could be the start of the break-up of Canada. After seeing the federal government take unilateral action last night, if we in this province take a countermeasure, we could well be breaking up this country. When we are talking about the emergency of the debate, there can be no more emergency than that.

Mr. Speaker, I feel very, very badly, and I feel insulted as a member of this Assembly that the Premier was not here this afternoon. I say that with great regret, because I never question where members of this Assembly are; they always have an excuse for being from this Assembly. But if the Prime Minister of Canada is not in his seat today, I will be insulted as a Canadian as well as being insulted as an Albertan. [interjections]

It's okay, you can have your little closed-door meeting tonight. But what we're talking about is placing the issue in this Assembly before the people of Alberta, not behind closed doors. That's why I feel insulted as a member of this Assembly.

Mr. Speaker, we might be looking at not only the



break-up of this country, but here in Alberta the measures that came to us last night from Ottawa are going to cause loss of jobs and financial hardships. If that is not an emergency, as the hon. Member for Spirit River-Fairview said, there will never be an emergency situation in this House. I certainly support the member's movement.

MR. KNAAK: Mr. Speaker, to speak to this motion, I can certainly agree that it's probably one of the most important matters we will be discussing in this House, probably in this decade. Because of its importance, it's also important to examine very carefully the federal budget, which is a complicated document. We also have to assess carefully the relationship of the federal budget to the constitutional package. This takes time, thought, and input from our constituents, giving them time to make an assessment. I, for one, believe the matter is extremely important, but I would also like time to assess the matter very carefully.

It's a debate that will have a profound impact on this province and perhaps on this country. Some very, very difficult decisions will have to be made in the months to come. The debate is so important that the 10-minute time rule allowed for emergency debate is not sufficient. That's why this government has proposed a motion that will allow each member to participate for 30 minutes. If we went by emergency debate, we could debate only for one day. Even if we spent two hours at it, it would give only 12 members a chance to participate. Mr. Speaker, it's so important that everyone should have an opportunity to participate after a full, reasoned, and calm assessment of both documents. I suggest that Friday is the time to debate this important matter, when we can all have a full chance to participate.

MR. COOK: Mr. Speaker, I'd like to speak to this question as well. I'm frankly disturbed at the tone of the remarks by the members opposite. We have a motion before the House that has been proposed by the hon. Provincial Treasurer for debate on Friday. I think that provides adequate opportunity for members to express their concerns.

The reason the opposition members of the Assembly have offered for conducting a debate this afternoon is basically to ask questions. They've said they'd like to know, for example, what the impact of the federal budget will be on the oil industry in the province. The questioning in this afternoon's question period clearly indicates that the hon. members in the opposition don't have that information. The answers provided by members of the Executive Council clearly indicate that they have not had adequate opportunity to assess that impact. All we're going to have is rhetoric flying across the floor — irresponsible rhetoric, judging from the preliminary remarks of the Member for Clover Bar, who suggested that we are about to have imminent separation.

MR. SPEAKER: Order please. I must question the propriety of the hon. member suggesting, even in that indirect fashion, that the hon. Member for Clover Bar has been guilty of irresponsible remarks. He may disagree with those remarks; he may question the validity of them. But when he suggests they're made irresponsibly, that's a personal matter and goes beyond the ordinary limits of comment in the Assembly.

MR. COOK: Mr. Speaker, I withdraw that remark. I certainly wouldn't want to leave the impression that the hon. member is irresponsible.

I don't think we can intelligently assess strategy for the government or the province, or the impact, without some detailed, factual analysis, which is clearly not available. This House will only be debating rhetoric, not facts. Mr. Speaker, I think we need some time for deliberation, for reflection. That time will be available to us between now and Friday.

MR. LYSONS: Mr. Speaker, I'd like to see this motion defeated today. I haven't had full opportunity and enough time to assess and to talk to my constituents as to how they may feel. I think it would only be fair that we take as much time as we can between now and Friday to get the feel of what they feel in the country.

MR. SPEAKER: There's no question that the hon. Member for Spirit River-Fairview has given proper notice. I think that notice was also shared very promptly with the government caucus, as well as the Social Credit caucus and the Member for Calgary Buffalo. So as far as that is concerned, the requirements of the standing order have been met.

There's also no question whatsoever of the urgency of the matter, insofar as Alberta is concerned. I'm sure that's universally recognized both inside and outside Alberta.

Two points were raised, however, which I think we should deal with. One of them was that there was reference to a meeting of the government caucus this evening, which would deal with that. I don't know whether the suggestion was that this type of debate would provide some enlightenment to the government caucus, or the opposition caucus if they choose to meet this evening. But I must say that insofar as caucuses are recognized at all in the Assembly, I don't think this is an occasion for such recognition.

Further reference was made to the announced intention of the hon. the Premier to make a statement on the present situation tomorrow evening. Again, that is a matter outside the Assembly, and I really think it's beyond the scope of my functions in the Assembly to take that into account. As far as that's concerned, the Leader or Acting Leader of the Opposition might choose to make some public statements tonight, tomorrow night, or any other time, and I would say that in both cases that is not something I may take into account in dealing with this request for leave to make a motion for emergency debate.

There is some difference, I think, between this situation and what we have where we're in the midst of a throne speech debate, especially when few members have spoken in that debate, in that a throne speech debate is a general topic. It is called from time to time, interspersed with other business. But here we have an assurance. First of all, we have a notice of motion by the hon. Provincial Treasurer, and then we have an outright assurance by the hon. Government House Leader that that motion will be called on Friday.

Now, I must say that when I first considered the hon. member's notice, I was of the mind which the hon. member is: if there ever was a situation which would qualify for emergency debate under Standing Order 29, this must be such a situation. And when the notice of motion came, I was still of that mind, because there was no assurance that that motion would be called on Friday. But now that we have that assurance, it's my view that

this certainly affects the question of urgency of debate.

It seems to me that in the very unique situation we have here, which would not apply to an ordinary question of emergency debate, it's not improper to consider also the quality and efficacy of that debate insofar as the people of Alberta are concerned, in the information that it may give them and in the considerations involving their best interests. It seemed rather evident to me during the question period this afternoon that for not only the hon. ministers but the hon. members who were asking the questions, there had been insufficient time to consider an emergency which is now but a few hours old.

In addition to that, of course, the debate under Standing Order 29 does not lead either to action or a conclusion. It's merely an airing of a topic, albeit on an emergency basis; whereas with a motion before the Assembly, there is provision for a vote on the topic and a resolution of the Assembly, which may be of some greater value to the province than a mere airing of the topic.

I must also consider — and I think this is a very serious responsibility of the Chair — the responsibility a Speaker has with regard to the time of the Assembly. Clearly, one of the important safeguards against wasting an Assembly's time is the responsibility of the Chair. It would seem to me that if this motion were now to proceed, we would have the same topic covered twice within a matter of two days. We would have first of all, shall we say, the observations of hon. members, if they chose to take part, based on their impressions, at first blush, of the federal budget, howsoever serious those impressions are. Then we would have the same members getting up again on Friday and possibly subsequently, and repeating the same remarks on the basis of further information and further reflection.

Recognizing that this is a rather unique situation, in the circumstances I would have to say that the motion might not be put.

DR. BUCK: On a point of order, Mr. Speaker, may I ask the Government House Leader: this side of the House would give unanimous consent that we move the government motion up to this instant. We know that the government ministers who have been responsible for the constitutional issues and the energy issues have had months and months to prepare and have all that information available. So we on this side of the House are willing to grant unanimous consent, and you, Mr. Speaker, as a servant of the House, have the power to ask the Assembly to give that unanimous consent so that we can get on to this matter of very, very grave importance. On our side, we would give unanimous consent to move this resolution up to this instant.

MR. CRAWFORD: Mr. Speaker, there is no point of order, of course, in what the hon. member has chosen to rise on. I think my response might be adopted or extrapolated from the remarks I made in regard to the motion of the hon. Member for Spirit River-Fairview.

DR. BUCK: Mr. Speaker, I take from that that the Government House Leader will not ask the Assembly for unanimous consent. If he wishes, I will move this motion.

MR. SPEAKER: The hon. member has made a request for unanimous consent. There is no responsibility on the Chair in this regard. I can't ask members to consent or not consent, except to put the request for unanimous leave to the Assembly. Is there unanimous leave for the

proposal which the hon. Member for Clover Bar has just made?

SOME HON. MEMBERS: No.

## ORDERS OF THE DAY

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

#### Bill 61

#### The Reciprocal Enforcement of Maintenance Orders Amendment Act, 1980

MRS. FYFE: Mr. Speaker, the amendment to Bill 61 is very brief, and relates to the transmission of material or evidence given in proceedings. The amendment is included in Section 3(3)(b) with the addition of the few words, that a certified transcript of evidence may be given in addition to what is already existing as a sworn document setting out or summarizing the evidence given in the proceedings. So it just allows for additional form of evidence to be transmitted.

With that brief explanation, I would move second reading of Bill 61, The Reciprocal Enforcement of Maintenance Orders Amendment Act, 1980.

[Motion carried; Bill 61 read a second time]

#### Bill 64

#### The Motor Vehicle Accident Claims Amendment Act, 1980

MR. HARLE: Mr. Speaker, I move second reading of Bill No. 64, The Motor Vehicle Accident Claims Amendment Act, 1980. The principle of the Bill is to make it consistent that the section which deals with claims which have resulted to an applicant as a result of an accident where neither the owner nor the operator of the vehicle is known or ascertainable, will be under the same provisions that apply in the rest of the Act; that is, that a claim cannot be made against the fund unless the amount of the claim exceeds \$100.

In the past the administrator under the Act has declined to accept requests for payment in these circumstances where the claim was below the \$100 limit, the so-called deductible which is provided for in this legislation. Those words, "in the amount exceeding \$100" do not appear in Section 13. An application or court case was commenced to make a claim against the fund. Because those words did not appear, the judge in the particular case granted a judgment against the fund when the amount of that claim was \$99.95.

It is my belief that when this Legislature passed this legislation, the same principle should apply. The fund should not be subject to claims where the amount of the claim is less than \$100. Therefore, this amendment is presented to protect the fund and to ensure that the fund is not dealing with rather small claims that can be made in this one exceptional circumstance only under the legislation, where you have an unknown owner or the other vehicle that has caused the accident is not ascertainable. It would then be consistent with the general principles included in the rest of the section which permit applications to this fund.

MRS. CHICHAK: Mr. Speaker, I would like to make a few remarks with respect to this Bill. My remarks may put some questions to the hon. minister that he may wish to clarify in closing debate. I recognize the attempt to put the legislation into clarity in all circumstances. Unfortunately, it would appear that where an owner of a vehicle has his vehicle damaged when he is not present, where the vehicle is not being operated by that individual, where it is in parked position, then the operator of another vehicle who has in fact caused damage to, let us use an example, my vehicle or the vehicle of the minister sponsoring the Bill, there isn't a recognition of who really has the responsibility. We do not have the same position here to try to place all aspects of the legislation into the same situation.

That is to say, to be a little clearer in what I'm trying to get at, where you normally have the deductibility clause under the legislation — in this instance it's set at the level of \$100 — that deductibility applies to the individual who is operating a vehicle, causes an accident, and damages result to that operator's vehicle. Then you have the deductibility clause. Unless I'm not recognizing it clearly, it would mean in this instance that an owner of a vehicle innocent of any circumstances, not present, and not being able to recover damages against one who may have caused those damages, will ultimately have to pay, without any recourse from any other support.

It seems to me that this would make the innocent owner of a resultant damaged vehicle a party to face costs and expense to which, through no fault of his or her own — and could have no other recourse. That individual is put to an out-of-pocket expense, and there is absolutely no recourse. So in a sense, you have a position of responsibility for damages for which you had no part.

I'm wondering whether the hon. minister intended by this legislation that, under such circumstance where the damage exceeds the \$100 limit being set here, the applicant to the fund would recover the total of whatever the damages might be, or whether that applicant would have the first \$100 deducted from the amount of damages.

I can appreciate a lot of perhaps frivolous claims being made, where it's questionable whether the damage was caused by someone else. Those things happen. We have to recognize that such claims do take place. It is unfortunate, but they do. If the minister is attempting to overcome that kind of wrong application, I support him wholeheartedly on that matter. But I do hope the minister will clarify in his closing remarks that, if in fact a claim is over and above the \$100, the innocent sufferer, so to speak, of damages caused to their property, will not be charged and taxed to have to suffer the first \$100 of such damage.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. HARLE: Thank you, Mr. Speaker. First of all, I should point out that under the present legislation, where the person who has caused the damage is known or ascertainable, there is no right to claim against the fund if your injury is under \$100. We want to make that principle apply where it is an unknown owner or unascertained vehicle. The difficulty would be that if it were not so, in many of the small claims one would just not have to find the owner or even make an attempt, because you could claim against the fund. So we want to make the

position of the injured party in exactly the same position, whether the owner of the other vehicle is known or unknown.

This Act does not provide for a deduction if you have a valid claim. It's not like an insurance policy. If you have a claim that exceeds \$100, you can claim the full amount.

[Motion carried; Bill 64 read a second time]

#### Bill 65

#### The Rural Electrification Revolving Fund Amendment Act, 1980

MR. SHABEN: Mr. Speaker, I move second reading of Bill No. 65, The Rural Electrification Revolving Fund Amendment Act, 1980. This legislation will permit an increase in the revolving fund from \$35 million to \$45 million. I think it would be useful for the members to know the number of customers and loans for new services that we've been required to extend from the fund in the last two years and the effect it has had on the fund. During 1979-80, there were new loans totalling \$5.8 million, providing assistance for slightly more than 1,800 new services and, thus far in the current year, 1,146 services, representing loans of \$4.4 million.

Members are probably aware of the method the loan uses, or that *bona fide* farmers take advantage of the fund. The members of Rural Electrification Associations who are *bona fide* farmers have access to the fund. For example, a new electrical service that costs \$5,000: the farmer may place a down payment of \$100 and borrow \$2,400 over a 10- or 25-year term at 3.5 per cent. The other \$2,500 is loaned interest free to the REA, the Rural Electrification Association. This is the way the funds are used to benefit the farmers. Because of the number of applications, it's been necessary to increase the amount of money available in the fund.

MR. R. SPEAKER: Mr. Speaker, I certainly appreciate the comments of the hon. minister, and encourage the minister to continue the program and certainly the good application that have been made of the finance through that program.

One of the areas that has often been brought to my attention is with regard to relocation of lines in rural areas, specifically in irrigations areas. In closing debate, I wonder if the minister could just comment on whether the funds do apply to that type of activity.

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

HON. MEMBERS Agreed.

MR. SHABEN: Mr. Speaker, funds are available from the revolving fund for rebuilding of lines. We have another program, that I'm sure the hon. member is aware of, a relocation program that was set up in consultation with the Minister of Agriculture. Recently we approved the first loan — actually it's a grant to assist in undergrounding of a power line as a result of no other overhead option. I could get the information on that program to the hon. member. But it was approximately a week ago that the first approval was provided for undergrounding of a line in an irrigation area.

[Motion carried; Bill No. 65 read a second time]

**Bill 66**  
**The Students Loan Guarantee**  
**Amendment Act, 1980**

MR. HIEBERT: Mr. Speaker, I move second reading of Bill 66, The Students Loan Guarantee Amendment Act, 1980. As indicated at introduction time, the purpose of the Bill is to expand the scope of institutions which can lend money to students under the student finance programs. The Act presently defines "credit institutions" as a chartered bank, treasury branch, or a credit union. The proposed change would allow trust companies to be involved in student loans.

[Motion carried; Bill No. 66 read a second time]

**Bill 67**  
**The Students Finance**  
**Amendment Act, 1980**

MR. KNAAK: Mr. Speaker, I move second reading of Bill 67, The Students Finance Amendment Act, 1980. It represents an amendment to The Students Finance Act, 1976. The principle of the Bill is to increase the membership of the Students Finance Board from seven members to nine members, and to provide for the appointment to the board of two students who attend postsecondary institutions.

It is considered advisable and important to expand the membership of the board because of its increased responsibilities, especially in light of the recent announcement of the Alberta Heritage Scholarship Fund, which will provide approximately 3,000 scholarships to be awarded annually to Alberta students, and the expanded student finance program which was announced this spring.

MR. R. SPEAKER: Mr. Speaker, I certainly commend the hon. member for bringing the amendment and commend the government for supporting the amendment of the hon. member. I would like to indicate to the member that we on this side of the House would like to see the government consider adding a student from the universities or the secondary institutions to the appeal board as well. We feel that that would involve the student body, or a student as such, in the total process rather than in the initial process when the application is looked at by the board and, hopefully, completed satisfactorily for the student. If it isn't, it goes back to the appeal board. The appeal board certainly is a level at which special kinds of considerations must be looked at. I think a person having university experience themselves could give good advice to the appeal board.

MR. NOTLEY: Mr. Speaker, very briefly taking part in the debate on Bill 67, I certainly support the principle contained in it, particularly the fact that two students will be participating on the board. As the Member for Little Bow has pointed out, the question of the appeal board has been raised with some of the hon. members. I would appreciate if the Member for Edmonton Whitemud, in closing the debate, would perhaps outline the government's position on whether or not an amendment would be entertained in committee stage, or whether it is a hard-and-fast position that in the appeal board stage there would not necessarily be a guarantee of student representation. Nevertheless the Bill has considerable merit, and I would support it.

Mr. Speaker, while I'm on my feet I wonder if I could

have the unanimous leave of the Assembly to introduce a good friend of mine from the Peace River country who is down to visit us for the first time.

HON. MEMBERS: Agreed.

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

MR. NOTLEY: This gentleman was the mayor of Spirit River between 1971 and 1974. His name is Reverend Michael Zuk. He's seated in the members' gallery. I wonder if he would stand and be recognized by all the members of the House.

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

**Bill 67**  
**The Students Finance**  
**Amendment Act, 1980**  
*(continued)*

MR. GOGO: Mr. Speaker, with regard to Bill 67, The Students Finance Amendment Act, 1980, I very much endorse the principle of expanding the number of members appointed from seven to 11. I recognize it's not anything more than coincidental that the numbers relate to a well-known game of chance when we look at the numbers changing from seven to 11. Certainly with the number of applicants for student financing in the past year, I think it's very appropriate that we expand the board. Recognizing the activities of members on the board, to have a workable quorum it's absolutely essential to have a large enough board in view of the tremendous number of applications.

The two members who shall be students ... I've recognized that we have 11 public colleges as well as the three and a half universities. I've often wondered, Mr. Speaker, if there wouldn't be merit in having a student on the board from each of the universities in Alberta as opposed to just the two.

A question arises in my mind, under Subsection (1.3). If for any reason a student has to either leave the province or cease to be a member of the student body — I'm not clear on this. Perhaps the Member for Edmonton Whitemud should clarify it for me when he closes debate. I understand that in certain institutions, if you don't pay student union fees, for example, you arbitrarily cease to be a member of that student body. If that's accurate, I would think it would be a shame, if for some internal political reason within an institution the very two members who are on the council should be taken off over a technical matter such as not paying student fees. Would the member clarify that for me?

The other point, Mr. Speaker, would be if in the course of studies a member from one of our institutions had to go for three months, a semester period, or one university term to, let's say, an institution outside our province — take the various specialties that don't function within Alberta, but may be at other institutions in sister provinces — could the member clarify for me if a member would automatically have to resign from this and be replaced by the minister. I'm thinking now if a person is appointed for a two- or three-year term and for some reason had to attend a sister institution in a sister prov-

ince, whether that person would arbitrarily have to resign from this committee.

Certainly, Mr. Speaker, from the statements we have heard by the Minister of Advanced Education and Manpower, I think it's a reaffirmation of how very positive the government is, not only in the funds it makes available for students within this province, but to have a Students Finance Board that is large enough and empathetic enough to answer the needs of students of Alberta.

Thank you.

MR. SPEAKER: Are you ready for the question, or does the hon. member wish to conclude the debate?

MR. KNAAK: Thank you, Mr. Speaker. I'll just respond to the comments. With respect to the appeal board, there may be some confusion with respect to that particular body. The Students Finance Board is in fact the appeal board. The way I understand it's set up — I'm looking at the 1976 Act now — is that under provision 2(5) of that statute, there's a provision for a committee to initially examine the applications. From that step, it goes on to the board. Or the board can receive the application directly. But in fact, the appeal procedure, if there is one, would now have the two students on it. I think that clarifies the question there.

With respect to the student body, I was trying to see if there's a definition of student body in the original Bill or in the amendment. There isn't. A member of the student body would therefore mean a member of the student body organization. I would presume that any member who is appointed to the board would be responsible enough to pay his \$5 or \$10 to be a member of that student body. I remember from my days at the university here, I think it was a requirement that when you paid your tuition you also paid for your membership on the student body.

In terms of making provision for a person who overlooks paying for his membership to be part of the student body, I can't really see where that would be necessary. As a practical matter I can't see a person being ousted or forced to resign because he was a little bit late in paying his membership in the student body.

[Motion carried; Bill 67 read a second time]

#### Bill 69

#### The Irrigation Amendment Act, 1980

MR. THOMPSON: Mr. Speaker, I move second reading of The Irrigation Amendment Act, 1980. Two items are dealt with in this amendment. The first has to do with damage claims. This is going to be shifted from the Public Utilities Board to the Land Compensation Board under The Expropriation Act. The second one is a matter of clarification. Under the present Act, no mention is made of members from corporate farms being members of irrigation boards. This specifically allows that to happen.

[Motion carried; Bill 69 read a second time]

#### Bill 70

#### The Agricultural Statutes Amendment Act, 1980

MR. CAMPBELL: Mr. Speaker, I move second reading of The Agricultural Statutes Amendment Act, 1980. It

includes repeal of The Frozen Food Act, and amendments to The Livestock Brand Inspection Act and The Meat Inspection Act.

Section 1.12 of The Livestock Brand Inspection Act mentions that "livestock" means cattle and horses or either", which will be substituted with the following: "livestock" means cattle and horses and includes the whole or portion of a carcass as defined in the regulations."

The Meat Inspection Act now states that "abattoir" means premises where animals are slaughtered." This will be repealed and "abattoir" means premises where animals are slaughtered and premises where animals are slaughtered and meat is cut, wrapped, frozen, cured, smoked or aged" will be substituted.

The reasons for the repeal of The Frozen Food Act are that no locker plants or very few are in existence, and that meat processing done in Class A abattoirs is under The Frozen Food Act, thus requiring those establishments to be licenced under both The Frozen Food Act and The Meat Inspection Act.

[Motion carried; Bill 70 read a second time]

#### Bill 76

#### The Rural Gas Amendment Act, 1980

MR. BATIUK: Mr. Speaker, I beg leave for second reading of Bill 76, The Rural Gas Amendment Act, 1980. Even though there are just a few minor amendments, they are very meaningful. One amendment is required to allow financial assistance to be given for initial construction or upgrading of primary urban gas utilities in rural and remote areas which are owned and operated by towns or villages.

Another area new Section, 31.1(1): provision is added to ensure municipal corporations do not use a rural gas utility to obtain revenues for other than requirements of the utility operation. It has been brought to attention that some municipally owned utilities use revenues from that for other work in the municipality, and it is felt that this is not right.

In Section 31.1(2), the minister may construct and own on behalf of the Crown any high-pressure natural gas pipeline required to bring natural gas from a distant source to the load centre of a rural gas utility. This provision is added to allow the minister to construct and own main gas transmission lines wherever a distributor is not capable of effectively managing the project, and substantial construction savings can be effected.

[Motion carried; Bill 76 read a second time]

MR. CRAWFORD: Mr. Speaker, the next Bill we want to call, in order perhaps to occupy the afternoon, is the one involving the Solicitor General. I'd ask the indulgence of the House perhaps to spin its wheels, if it can do that for a few minutes. We hope to have him here.

DR. BUCK: He's probably out having a drink. [laughter]

MR. CRAWFORD: Here he is. Generally, one doesn't have to solicit the presence of the Solicitor General.

MR. SPEAKER: It appears that both the big wheels and the little wheels in the House have spun for an adequate time.

**Bill 75**  
**The Liquor Control Act, 1980**

MR. HARLE: Mr. Speaker, on a point of order, to start with, I'm thinking about the limit on debate which applies to members. I'm looking at Standing Order 28 and wonder if I would have the unlimited speaking time provided for in (a)(iv), as this amends more than one piece of legislation.

MR. SPEAKER: With respect to the hon. Solicitor General, it's clear that if it amends as few as two other pieces of legislation, strictly speaking, it comes within the letter of the rule.

MR. HARLE: Thank you, Mr. Speaker.

I move second reading of Bill No. 75, The Liquor Control Act, 1980. In principle this Act is a fairly substantial piece of legislation. It is intended to combine the two present Acts, The Liquor Control Act and The Liquor Licensing Act, into a new piece of legislation and, in so doing, has the effect of reducing the number of sections from about 240 that presently exist under those two pieces of legislation, to about 150. The other matter of principle, I think, is an attempt to modernize the language that presently exists.

Two matters are contained which I don't think are of great substance but are important from a point of view of administering this legislation; that is, we're changing the fiscal year for the board to the calendar year, and we've changed the provisions for appointing acting members of the board.

The major change in principle in this legislation, from that existing under the present Liquor Licensing Act, is the proposal to put into legislation the notion of having one licence, then to set out categories or classes of premises that can be licensed as set out in the Bill and provide that the specific conditions that attach to each category of licence issued should be contained in the regulations. As I think all hon. members are aware, the present Act contains the licences that can be issued, and a fair amount of detail which attaches to those licences.

This Bill provides that one licence will be issued. The classes of premises for which a licence can be issued are specified in the Bill, but the details and conditions that attach to each of those premises will be established by the regulations. It is my intention to be able to make available to hon. members proposed regulations which will set out the various details which attach to these various premises that can be licensed. I hope I will have that available by the time we reach committee stage of the Bill.

I also want to make clear that it is not my intention to ask hon. members to proceed quickly with debate on this Bill. I did, however, want the opportunity to speak at this time, in moving second reading, and then to leave it over by adjourning debate to allow further time for hon. members to become familiar with the legislation, as it has been introduced only this week. By debating now, as far as the mover is concerned, I'll be able to set out some of the government's intentions with regard to the substantial changes contained in this Bill.

One provision contained in this Bill is to make quite clear that alcohol used as a fuel, in gasohol, will not come under the provisions of the legislation. At this time when alternative energy sources are being looked at and ex-

amined, I think it should be quite clear that licensing and all the other ramifications of this Act do not apply to alcohol which is not being used for human consumption.

The new licence categories that are going to be provided in the Bill and the regulations are quite extensive. Some of the licensed premises will be those already licensed. But, I submit, there will be greater flexibility in each category of licence than has been available under the present system. Undoubtedly new premises could be licensed under the new Bill which could not be in the past. On the other hand, licences have been issued to various facilities which are perhaps stretching the present wording of the licences required by the present legislation.

The first one I would like to deal with is the principle of being able to license a sporting stadium. This licence is to be restricted to the sale of beer and cider at professional sporting events or perhaps special events, with the sale of beer and cider restricted to the concourse level of the stadium, but permitting consumption in the stands; also that the sale can only be made in paper or plastic cups and that minimum food requirements always be available — that is, the normal three hot and three cold, as they say in the business. Coffee and pop must also be available.

There is a requirement for the approval by by-law of the municipal authority. I think all hon. members are aware that we have had requests for the licensing of stadiums both from the city of Edmonton and the city of Calgary, but it has been rejected by the city of Lethbridge. In light of the fact that local people obviously have an interest in stadiums, I think there should be the ability to decide locally whether or not to have such licences granted.

One of the additional problems associated with public stadiums is that they often cater to under-age people, minors. This Bill permits the board not to permit the sale of beer and cider where either the majority of performers are minors or where the expected crowd consists of substantial numbers of minors. There is some flexibility in that regard, because I think Albertans generally would be concerned if the general prohibition about consumption by minors were to be abused in any substantial way, in fact in any way at all.

The second type of licence to be provided for by the legislation is the horse racetrack licence. This will be a licence which can be used to accommodate existing licensed facilities, to serve the clientele of those places, provide minimum food — three hot and three cold — and coffee and pop to permit the consumption of at least beer and cider in the stands in plastic or paper cups, but would provide greater flexibility than presently exists on the licence category that the present facilities are operating under.

The third category is the recreational licence. At the present time, if you have an incorporated private club or recreation facility where only club members can attend, you can apply and be licensed. If you are operating the same type of facility at which the public might attend, you can't get a licence. It is intended to create a recreation facility which can be licensed, again requiring that minimum food being available. It will be available to publicly operated golf courses, racket sports centres, ski lodges, hunting and fishing lodges, perhaps curling rinks, and in that way not make that distinction between those that are privately operated and those to which the public generally has access.

During the time I have been minister and responsible for this legislation, I made it clear some time ago that I

would be prepared to examine this legislation and to see whether there should be a general updating of the liquor legislation. One of the many areas where I got a fair amount of complaint was the problem of trying to operate a night club under the present licensing system. At the present time most of what you might call night clubs are operated under either the dining lounge licence or the lounge licence. One of the difficulties associated with that licence was the requirement that you purchase food in order to be able to purchase liquor. The people who have been pressing for a change have said, certainly there's no problem about the requirement that food be available. But after a period of time in the evening, it is too much to expect that customers will come in and have to purchase a meal in order to have access to liquor.

In order to get around this problem, I believe it is reasonable to create a night club type of licence. There'll be a maximum seating requirement, the same as all licences, probably in the neighborhood of 275 seats. The night club will have to be connected to a licensed dining lounge facility, and food service must be available at all times. But it will not be necessary to purchase food in order to purchase liquor. The purpose of the licence will be to accommodate those premises that wish to provide live entertainment.

One of the additional problems in this area has been the difficulty of hours of service. I think most people recognize that the social life of communities has perhaps been changing. There is more activity at night as we find people's working hours changed and more time free for leisure. I think it's reasonable to provide some extension of hours for consumption in the so-called night club. Because of that, I've been considering that consumption be allowed to 3 o'clock in the morning, and that premises must be closed at this time, with the one-hour tolerance that is normally provided to dining lounges.

On the matter of food service, I indicated that it should be possible to provide liquor although no food is purchased. Perhaps food service should be insisted on up to a certain hour, and after that hour there be just the usual minimum food service. As long as food is available, I think this is necessary in pretty well all the licensed categories. So while in a night club licence you won't have to purchase food when you purchase liquor, full food service must be available until 12 o'clock midnight. After 12 o'clock midnight only minimum food service may be maintained.

Another area that has caused some difficulty under the present legislation is to try to provide licences to postsecondary educational institutions and senior citizen residences. This new Bill will provide for a licence to accommodate both those types of institutions. In the case of the postsecondary educational institutions, it will be issued only to the board of governors, and naturally the board will have to approve the application for the licence. The maximum seating requirements will be really the same as presently exist. It would cover, of course, liquor, wine, and beer. There will be a minimum food service requirement — that is, three hot and three cold — coffee, pop, and such must be available at all times, and the hours of service probably to midnight.

For senior citizen residences the concept will be to provide for a maximum of four hours of service. It would be a licence issued to an institutional authority and, of course, would cover the full range of liquor, wine, and beer. Food would be available at regular mealtimes within the institution.

With regard to theatres, they have been licensed in this

province in a rather restricted way, and it has really bent the existing licences to be able to do so. Therefore this Bill proposes that we establish a category that would include live theatres, liquor service to be available, say, from one hour before a performance starts until the end of the performance. The board would have the ability and discretion to permit longer hours at dinner theatres where they're offering full meals. The concept would be to provide service only to those persons purchasing admission tickets. Snacks would have to be available.

In addition to live performances, I believe the board should have the ability to permit the consumption of liquor at film festivals but not at regular film theatres.

Also in the Bill is the ability to issue licences to accommodate travellers by air, rail, and bus. A new licence category will be created for restaurants that wish to have service only for beer and wine. That type of licence exists now but will be created as a separate licence.

A number of changes have been made in the area of legal and illegal possession of liquor. One change contained in the Bill is to provide for the conveyance of, say, a half, quarter, or three-quarter bottle of liquor provided it's capped. At the present time I believe they must be sealed. It means that consumption is really forced on a citizen if you want to take your bottle from A to B. This will permit the carriage of a bottle even though it has been only partially consumed.

As far as possession is concerned, the other area of change will permit the conveyance of open liquor in the vehicle luggage compartment or other facility which is within easy access of the driver. At the present time, if you're transporting liquor it must be in the luggage compartment. As they say, many modern vehicles, such as station wagons, do not really have any separate compartment. It will permit the legal conveyance in that type of vehicle.

Another major change is that it will now be possible to legally convey liquor from one residence to another, and to a temporary residence. At the present time the legislation is worded in such a way that you can only carry liquor from where you legally purchase it to your own residence. How you get it from there to your cottage or your neighbor obviously is really in the area of illegal possession of liquor. So this Bill will provide that it is possible to convey liquor from one residence to another.

Another area of difficulty as far as possession of liquor is concerned is the use of motor homes. Under the present Act, it's quite legal to have liquor in your trailer or your tent when you're parked in a campground, but not in a motor home. This change will permit the possession of liquor in such places.

One of the other anomalies relates to the communion rail, the minister's being able to serve communion wine to a minor, for example. That is now being covered by the proposed legislation.

An area that may make some difference to some people is the problem of the restriction on cocktail lounge licences as far as gaming and dancing are concerned. The proposal is that this be a permitted activity in the cocktail lounge and will, in effect, make it comparable to other types of licences which now exist; also, to extend the hours of sale to 1 o'clock in the morning.

Another change of extension of hours will be in the beverage room licence, to extend the hours of sale to 12 o'clock midnight. That will appear in the regulations. As I indicated, I hope to have something available for hon. members by the time we reach the committee stage for the discussion of this Bill.

An area which has been of considerable concern to many of the agricultural fairs across Alberta and the success of the Farmer's Market in this province, has been the difficulty of being able to conduct homemade wine and beer competitions. Conveyance and tasting in public present a great deal of difficulty. There will be a provision in this legislation to permit the conveyance, display, and consumption of homemade wine and beer when entered in competitions at agricultural fairs and other events; also, to permit the conveyance of such homemade wine and beer from the place of manufacture to another residence, which was prohibited under the existing legislation.

I think these are some things that are long overdue and reflect the fact that there are people who are interested in manufacturing their own wine and beer. That can be done at the present time, but such competitions were impossible to conduct in a legal way. It was also technically wrong to convey it, once you had made it, to your cottage, if you had one, or to someone else's residence for consumption.

There will be some changes in the permit system which, hopefully, will allow some flexibility. While these are small changes, they do cause some problems for the community and service clubs in the province, and others who wish to make use of the permit system.

The Bill contains the repeal of the search and seizure powers of board inspectors except for board inspectors at licensed premises. In the present legislation, board inspectors are entitled to search and seize in all places. In fact, over the last many years board inspectors have not been used to search and seize in other than licensed premises. Of course, that should be left up to the normal police services where it is necessary in order to enforce the legislation. But certainly the legislation is to change the present capacity, at least, of the board inspectors to do more than search and seize in licensed premises.

In the area of the dining lounges, contained in the regulations will be a suggestion to extend the hours of sale to 2 in the morning when food must be purchased in order to get liquor service. If the operator wants to have a situation where no food must be purchased after 9 o'clock, then the liquor sales must cease at 12 o'clock midnight.

Sunday opening has been adjusted. We've received a good many suggestions that the present 1 o'clock is quite late on Sunday and causes some problem to those people who have a very extensive business in Sunday lunches. I think the development of this industry, if you like, has been an area where there has been a tremendous amount of growth, a tremendous amount of employment to those who are prepared to work on Sunday. A lot of people come into these premises at 12 o'clock noon and can't get service till 1 o'clock. So it's proposed that the dining lounges will be able to open for Sunday service of liquor at 12 o'clock noon; also proposing to change the liquor/food split from the present 50:50 to 60:40, as the price of alcohol is increasing. Last night there was a further increase, by taxation. In my view, the present liquor/food split should be changed.

One area which has been left to the common law is what you can do with people in licensed premises when you are asked to leave. Normally, the present laws of trespass apply. This Act sets out the normal requirement that applies, so that the people who work with this legislation, the licensees, are able to see that they have the right to ask someone to leave and that if they don't, they are then trespassers. As members will recall, there is no

obligation of service in licensed premises. You can be asked to leave at any time. That is as it should be in order for the licensee to have control of the premises. This provision does not set out any more than what is the present law in regard to a person who has been asked to leave, but makes it quite clear that the licensee is entitled to ask anyone to leave the premises.

An historic part of the existing legislation is that relating to interdicts. There is quite a system in the legislation to provide for naming a person as an interdict; that is, a person who is not entitled to receive service of liquor. I suppose there are thousands of people on this list. But of late years it has become of less and less use. In effect this Bill will repeal the interdict provisions, and therefore they will not appear in this new legislation.

An area of growing concern is that many individuals have been either collecting or developing an exclusive rare wine or rare liquor collection. There have been instances where such individuals, on their death, have found this collection is of value, and they would like to be able to sell it rather than to the board. In this legislation, we're providing that where an estate wishes to dispose of a collection of wine and liquor, they can do so with arrangements with the board so the board knows that a certain quantity of liquor is going into the market, and the sale can be accomplished instead of having to sell it to the board.

One of the requirements in the existing legislation is that a policeman cannot be and remain on licensed premises when the constable is not in the execution of his duties. There are many constables who would now like to be able to go in and have a meal at some of the licensed establishments. Of course they can't do that. The repeal of the legislation will remove that prohibition so that it will be possible for a constable in uniform to sit down and eat a meal in licensed premises. I suppose one of the results of the liquor licensing system has been the development of very good quality eating establishments. As they receive licences, it has meant that the police officer in uniform simply hasn't been able to enter them other than in the execution of his duty. Of course they do so, but it means that when they are on duty through normal eating hours, as the constables often are, they cannot be in such premises in uniform.

The area of possession has been a problem anywhere but in one's residence or in licensed premises. There has been a change in that requirement, which in effect would mean that it would be possible to consume liquor in a private office. This is something we will have to watch very carefully to see that it isn't abused, but it does expand the ability to have liquor — which doesn't exist in the present legislation.

Another area that has been an anomaly, I suppose, is the fact that boats were not covered in the definition of a residence. It is intended that on and in a boat that's moored or at anchor and with living accommodations in it, one will be able to have and consume liquor. This will put these types of conveyances in a similar situation to the trailer, the motor home, or the tent on land, and provide that liquor can be legally had and consumed on a boat in those circumstances.

Another change has been to provide that all regulations issued under the Act will be by the Lieutenant Governor in Council. At present, such regulations can be by the Lieutenant Governor in Council and by the board. In actual practice, the board has not issued such regulations. Obviously it has many policies, but they don't have the weight of being regulations. This change in this Bill will



carry out what has been the practice for many years, that where regulations are to be passed, they must be passed by the Lieutenant Governor in Council.

An area of concern, I think, to all members is the problem of consumption by minors in licensed premises. At present that can be dealt with by the board suspending the licence. It has been felt that while this is one way the board can get at a repetitive problem, there is no offence at the present time that falls upon the operator or the licensee with regard to admitting minors and consumption by minors into licensed premises. A new offence has been created for permitting minors in licensed premises. The idea would be that there are occasions when perhaps proceeding by the offence would be a more appropriate step than suspending the licence, because suspending the licence means all patrons of the licensed premises are affected. They cannot use the premises for the period of the licence, while the economic hardship on the operator of the licensed premises is obvious. There is a hardship on the community at large where a licensed premises has been closed down.

So this will give the board some greater flexibility of being able to prosecute for an offence where they think it's appropriate, without going the route that is now available, and will still be available, of being able to suspend the licence, and its obvious effect not only on the operator but on the clientele.

The Bill also provides a new offence in an area which is sometimes a problem, where a licensee, for whatever reason, in effect tells an individual who's sitting at a seat that unless he or she is buying liquor, they must leave the premises; in other words, the implication that the licensee is forcing the sale of liquor in the premises. There will be a new section, which will create an offence where the licensee requires or demands that a person purchase liquor while remaining in a licensed premises.

One of the more difficult areas I've had as a minister has been that of dealing with people who are not satisfied with a decision made by the board, either in refusing to grant a licence or in the suspension of a licence or for some reason where a licence has been taken away. At the present time there is no system of appeal; the board order is final, and the Act is quite clear. I think it has worked satisfactorily, except for the fact it still leaves the applicant or the licensee in a position where the only thing he can really do is come to the minister, and there's nothing the minister can do.

So a new body is being created, called the Liquor Licensing Review Council, and it is my intention that licensees make up some of the membership of that council — and others, probably a member of the legal profession. It will permit a licensee or an applicant for a licence who is dissatisfied with the decision of the board to have a review of the decision. The council is then in a position to recommend to the board what should be done, and leave it to the board to make any final decision or review that may be necessary. This is particularly true of requirements regarding furnishings or what you might call minor matters — the board may have a policy regarding rugs or arms on chairs, or whatever — to be able at least to have some group look at it and decide whether they should recommend to the board that a change is in order.

This is a relatively new idea. It will maintain the authority of the board; the board will still have the protection it has always had with regard to its ability to make decisions. But it will give to the applicant or the licensee who is dissatisfied with a decision of the board another group of people to look at it and make some

recommendations, if the council decides there should be a second look at it.

Difficulties may in fact be minimized considerably by the fact that we've created additional licensing capacity. I think most of the dissatisfaction is that quite often you get an applicant for the licences in the existing Act, and because of the very tight requirements on those licences the proposal by the applicant doesn't quite fit. This will allow the board to review these types of problems and perhaps come to some changes that might be made and thereby accommodate the changing times. On the other hand, the new licence categories themselves will eliminate a lot of the difficult areas that have existed in the past. So the change of the licence requirements and the ability to appeal decisions of the Alberta Liquor Control Board to the council will, hopefully, create the flexibility that I think is probably now due in this area.

As I indicated, hours of operation will be included in the regulations, and I will be making some proposals available to members so they can see what changes are contemplated.

There's no provision in here to change the present philosophy with regard to pricing. I think hon. members know that in Alberta liquor has been perhaps at the low end of the range of prices across Canada, and hopefully that idea will remain.

The Act is to be brought in on proclamation, to allow time to get in place the regulations which will be needed. I hope that can be done as soon as possible, probably within the next two or three months, provided this legislation receives approval of the Legislature.

One area that has been of concern to some people is neighborhood pubs. That is not included in this proposal for legislation. It seems that in many ways everybody says, it's nice to have a neighborhood pub, but not in my neighborhood. Certainly the experience we've seen in British Columbia with these types of facilities hasn't worked out that well. Also the report I get from England — most people sort of have the idealized concept of the British pub — is that many of them are closing up. I guess modern merchandising, parking, all the things we have in modern life, when placed in relation to the idea of the little local pub, become a real problem not only for the neighborhood but also for the operators of very small operations. So the current state with regard to pubs isn't very clear; therefore the whole idea of having neighborhood pubs has been left out of this piece of legislation.

Another area I received submissions on was the idea of liquor sales in grocery stores. That is also not included. There would have to be a change of the Act to permit that. It is an area which has received some attention in various provinces across Canada, and there are times when, because of local concerns — for example, in the wine-producing area of Ontario, where they want to have a market for the product, of course there is some drive to have wine available in grocery stores. On the other hand, there are very isolated communities, particularly in western Canada, where it has been felt that there should be accessibility to liquor without having to drive 50, 75, or 100 miles to get it. That remains a problem, yet certainly I think that the way we live in Alberta, we're reasonably well accommodated with the existing hotel, licensed lounge, and liquor store systems, and there's no intention to change that.

Mr. Speaker, it has been a very interesting period of time since I became responsible for this legislation, and I appreciate all the suggestions and comments made. I think I would be remiss if I didn't say that I hope the

changes contained in this legislation do not encourage increased use and abuse of alcohol. The changes are reasonable. They attempt to meet Alberta in the 1980s. I'm sure there will be those who say I haven't gone far enough, and those who argue that I've gone too far. I recognize the interest of those people in our society who are very, very concerned about the overuse and abuse of alcohol.

I think this Bill presents a balance: it recognizes that liquor does provide some social benefits but, on the other hand, it also recognizes, by the nature of it being a control Act, that our long history, starting with the World War I, the resultant prohibition, the repeal of prohibition on a control basis, is still maintained. The general principle of controlled licences, controlled consumption, is still present in this Bill. I think the modifications and changes that are asked for, go a long way toward meeting what I believe to be the needs of the majority of Albertans for the next five to 10 years.

Obviously we'll have to watch the development under the new changes. I'm sure that future ministers and future governments will deal with the problems as they come up. But I certainly wouldn't want to be seen to encourage overconsumption and abuse of alcohol. Therefore I think

it is necessary that while we make these changes, we see it in the light that they are changes which I think the vast majority of Albertans will accept.

With that, Mr. Speaker, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree with the motion by the hon. minister?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, it is not proposed that the House sit tomorrow evening; therefore I don't think I need indicate anything more to hon. members of the opposition in regard to this week's business, since we will be dealing with Motion No. 19 on Friday.

Mr. Speaker, I move we call it 5:30.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 5:24 p.m., pursuant to Standing Order 5, the House adjourned to Thursday at 2:30 p.m.]