

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Monday, May 25, 1981 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

**Bill 234****An Act to Amend The Alberta  
Heritage Savings Trust Fund Act**

MR. SINDLINGER: Mr. Speaker, I request leave to introduce An Act to Amend The Alberta Heritage Savings Trust Fund Act.

Generally the Heritage Savings Trust Fund is a good idea and has received good management to date. Even given the national energy program pricing schedule we have in place now, the Heritage Savings Trust Fund will grow to about \$50 billion in 1980 dollars by the year 2000. This Bill will correct an accounting inaccuracy or inadequacy which tends to overstate the size of the Heritage Savings Trust Fund.

[Leave granted; Bill 234 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. BORSTAD: Mr. Speaker, I would like to table the annual report of the Northern Alberta Development Council.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. BUCK: Mr. Speaker, I'm pleased this afternoon to introduce to you, and through you to members of the Assembly, 130 grade 6 students from Rudolph Hennig school in Fort Saskatchewan. They are accompanied by their teachers Lorna Hornby, Tim Bilou, Al Faubert, Gordon Templeton, and Bill Lopka; and parents Mrs. Van Triet and Mrs. Jespersen. They are in both galleries, and I ask them to rise and receive the recognition of the Legislature.

head: **ORAL QUESTION PERIOD**

**Legislature Grounds**

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Housing and Public Works is with regard to construction work on the Legislature grounds. I wonder if the minister could indicate whether any plans are being initiated to reduce the expectations of the grounds in light of some of the costs at the present time.

MR. CHAMBERS: Mr. Speaker, I think it's fairly obvious from looking around that work on the grounds is

very far advanced indeed; in fact, we're looking at total completion about a year from this June. I might say that I'm especially pleased with it. We've kept on budget and on schedule.

**Agriculture Building Renovations**

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Has any consideration been given to eliminating phase seven of the project, the mirroring of the Agriculture Building, which with a change of priorities could save millions of dollars that could possibly be transferred to other projects such as public transportation. Has consideration been given to changing phase seven?

MR. CHAMBERS: No, Mr. Speaker. The building needs recladding, and it's still part of the long-term plan.

MR. NOTLEY: Lower expectations there.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of projected expectations and whether expectations should be lowered or not, could the minister indicate whether the \$25 million to \$40 million projected cost of the project — and, more specifically, I think \$39 million was the projected cost — is still in line, and is the project on budget?

MR. CHAMBERS: Mr. Speaker, I have a bunch of budget material with me, estimate material, that I'll be happy to get into in detail later on, I think this afternoon. But my recollection is that the current cost of completion is in the order of \$53 [million] or \$54 [million]; that's in as-spent completed dollars, which essentially is on target. The original number was '77 or '78 dollars.

MR. R. CLARK: Mr. Speaker, I'd like to direct a supplementary question to the minister. My constituents don't understand the need for recladding the Agriculture Building. What is the purpose of this recladding, and what is it going to cost? Why do we have to do that?

MR. CHAMBERS: Aside from the fact that I think it's one of the ugliest buildings existing anywhere and was designed under a previous administration ... I don't want to comment further on that.

MR. R. CLARK: Is that the only reason?

MR. CHAMBERS: No, extensive renovations are needed to that building to make it more livable. [interjection] That's right, energy efficiency is one aspect of it.

Furthermore, the building is to carry some mechanical components which are part of the whole grounds complex. I'll say one thing: they may not have made them look very good, but they did make them strong. The building will carry the mechanical components. Generally a fairly extensive renovation of it is needed.

MR. R. CLARK: To the minister, once again from the same point of view. How is the recladding going to make the facilities in the building more livable?

MR. CHAMBERS: Well, Mr. Speaker, there are lighting problems in that building now. It has always been a difficult problem in terms of adequate light, heat and

cold, and energy efficiency. That cladding has never been satisfactory.

#### Oil Sands Development

MR. R. SPEAKER: Mr. Speaker, I'd like to direct the second question to the Minister of Energy and Natural Resources. It's with regard to the Alsands and Esso Resources plants and with regard to studies that have gone on with the effect, because in terms of the status and position of the negotiations at the present time, the Alsands and Esso Resources plants look like they will not go ahead. Has the department studies which look at the implications in terms of dollars on the Alberta economy when these two projects will not proceed in 1981?

MR. LEITCH: Mr. Speaker, some studies of that have been done. I'm not sure they've been limited to the Department of Energy and Natural Resources, and perhaps my colleague the Minister of Economic Development may wish to expand on my answer.

MR. PLANCHE: Mr. Speaker, we have done a cost/benefit study of the delay in those two plants, and it's presently in the department for assessment.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Economic Development. Will those reports be tabled in this Legislature in total or in summary?

MR. PLANCHE: Mr. Speaker, that decision hasn't yet been made.

MR. R. SPEAKER: Mr. Speaker, a supplementary. Will the minister take on a commitment to present it in the Legislature or explain why it cannot be placed in this Legislature at a later date?

MR. PLANCHE: Well, I wouldn't take on a commitment to the first, but I would to the second.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Energy and Natural Resources or the Minister of Economic Development with regard to the policy position of the government at the present time. Is the policy position in place that an energy agreement must be reached with Canada before any tar sands plants will proceed? Is that still the policy of the government as of today?

MR. LEITCH: Yes it is, Mr. Speaker. Our firm policy is to not approve additional oil sands projects unless and until we have an overall energy agreement in place. Members of the Assembly may recall our reasons for adopting that policy, one of which was simply that it was inequitable or unfair to expect Albertans to take on the risks and burdens — and there are major risks and burdens with those two large projects going ahead at the same time — if at the same time there was in place a federal energy policy and budget which was destroying thousands of jobs of Albertans in other areas of the industry.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Energy and Natural Resources. I'd like to ask how seriously the government has taken the Esso Resources July 1 date as the termination for their

project. Are there any department studies that confirm that Esso Resources cannot extend themselves beyond July 1, 1981?

MR. LEITCH: Mr. Speaker, we in the department wouldn't be making an assessment as to what Esso Resources could do with respect to keeping its project in place. As I understand the position of Esso Resources Limited, that is a financial matter for the company to decide. As I recall the position, they were not willing to continue to spend large sums of money unless they had at least a reasonable anticipation or, better yet, an assurance that agreement would be reached and the projects would receive approval from the provincial government, and that the conditions as to price and access to market and taxation regime which they were requesting from the federal government would also be in place. But certainly we in the department would not make any judgment whether the company could continue working on the project for whatever period of time.

DR. BUCK: Mr. Speaker, a supplementary question for clarification to the hon. Minister of Energy and Natural Resources. I believe the statement was made at one time that Esso could go ahead. As I understand it, the company must receive permission from the Alberta government before they can proceed with their project. Is the minister in a position to indicate or clarify for me if that is the position as it stands?

MR. LEITCH: Mr. Speaker, I'm not sure that my explanation will remove the confusion that exists in the hon. member's mind, but I think it may have arisen in this way. As I recall, not only with respect to the Esso project but also with respect to the Alsands project in Fort McMurray, we've said that we had no objections to their proceeding with certain preliminary work, and in fact they did so. So in that sense we had no objection to their proceeding and in fact we — when I say "we" I'm talking about the government — did some work particularly in the area of transportation in Fort McMurray a year ago, and we had no objection to that work, which might be regarded as preparatory work, going ahead. But to proceed with the construction of the projects requires approval from Executive Council, and we've said we would not give that approval. But we have no objection to anything up to that — any work that can be done without receiving that approval — proceeding.

DR. BUCK: Mr. Speaker, I'm pleased the minister made that clear, because we want to know exactly where the decision-making process lies.

My supplementary is to the Minister of Environment. Last year I asked the minister if he was in a position to indicate how many tar sands plants can be built before we have a danger of acid rain. Is the minister in a position at this time to indicate to the Legislature what studies he has in place to indicate the maximum loading limit: how many plants can be built in the Fort McMurray-Cold Lake area at this time without a problem of acid rain?

MR. COOKSON: Mr. Speaker, I don't have this information available, but we are doing a joint study with Saskatchewan and the federal government in terms of the present emissions in the general area. I was hoping I would have an interim report this spring, and it may still be available. It deals primarily with the present emissions of the two plants, and my advance information is that as

yet there is no indication that there is any present problem insofar as SO<sub>2</sub> emissions.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Energy and Natural Resources with regard to the future of the two plants we've been discussing, Alsands and Cold Lake. It all hinges on the success of the June 10 meeting.

At this point could the minister indicate that the June 10 meeting will be a meeting to the end; in other words, so that we reach agreement? Is it a one-day or two-day meeting? What are the present plans and commitment? I know the provincial minister has cleared his schedule to meet any commitments, and that's been said. But what is the federal intent at this time? Are they committed as well?

MR. LEITCH: Mr. Speaker, the meeting for June 10 is planned as a one-day meeting. I would not expect our discussions on the energy negotiations to be concluded one way or the other in that one-day meeting.

The energy matter has become much more complex today than it was prior to October 28, 1980. The issues are numerous now and very complex, and I wouldn't anticipate that we would be able to do more than discuss some of them in detail and perhaps a number of them in general terms in a one-day meeting. So I think the short answer to the question of the hon. Leader of the Opposition is that I wouldn't expect the June 10 meeting to be conclusive one way or the other.

MR. NOTLEY: A supplementary question to the hon. minister.

MR. SPEAKER: Followed by a supplementary by the hon. Leader of the Opposition and a final supplementary by the hon. Member for Clover Bar.

MR. NOTLEY: Presumably there's been some initial discussion of commercial terms with the two companies, and I realize that commercial terms can't be completed until after the government of Alberta gives the go-ahead. However, my question: is the government in a position to advise the Assembly whether there has been sufficient progress in dealing on the question of commercial terms that that would not in fact be an undue obstacle to the two projects' proceeding once the okay is given by the government of Alberta after a national energy agreement is reached? I'm asking if the minister is in a position to give the Assembly any information on the kind of time frame that may be possible from the date an agreement is reached and the okay is given. Are there any serious obstacles between the two companies involved and the government of Alberta on the question of commercial terms?

MR. LEITCH: Mr. Speaker, members of the Assembly may recall that I had earlier commented on the fact that shortly after I assumed the portfolio, we had worked very hard to be in a position with the two project developers to conclude agreements on the commercial terms between the project developers and the province if and when an energy agreement was in place. That work went on intensively some time ago. While one can never be sure how long it's going to take or what difficulties there might be between a particular point in the negotiations and concluding the agreement, my impression of the nature of the discussions that have been held with the project develop-

ers and representatives of the government is such that I wouldn't anticipate any lengthy delay in concluding an agreement with the developers on the commercial terms, if and when an energy agreement with the federal government became a fact.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, and a comment. At this point I'm convinced that no agreement will be reached by July 1. But could the minister indicate whether any subsequent meetings are planned after this first meeting? Was that part of the discussion in arranging the format of agendas for negotiations in June or into July? Was this discussed with Mr. Lalonde, the federal minister? Is a sequence of meetings planned after the one on June 10?

MR. LEITCH: Mr. Speaker, a sequence of meetings is not planned. I would expect that during the meeting of June 10, and probably toward the end of that meeting when we have seen what has developed during the course of it, we will have a discussion as to future meetings.

DR. BUCK: Mr. Speaker, to the Premier. This is not meant to sound facetious, but has the Premier given any consideration to setting up a system the same as the papal selection system, where the Premier, the Prime Minister, and the two ministers get together and stay in that room until the white smoke goes up? Has the minister spoken to the Prime Minister to find out if the four people can get together for the sake of Canada and of Alberta? Mr. Speaker, I say to the Premier directly: has any consideration been given to the four gentlemen sitting down and having that happen?

MR. LOUGHEED: Mr. Speaker, I don't know about the white smoke part of that, but perhaps we should look at the history. Last year, when the first effort was made by the government of Alberta to negotiate a fair and equitable energy agreement, the Minister of Energy and Natural Resources conducted discussions — I think he reported on November 3 that they could not be called negotiations — with the federal Minister of Energy, Mines and Resources. As we all know, they were unsuccessful.

As a result an effort was made on July 24 and 25 of last year by me, as the Premier of Alberta, with the Prime Minister to see if we could reach an agreement. It was obvious that we were very far apart when we began our discussions and that the ministers of energy had not been able to make any progress towards closing any gap, if you like, for the reasons that were very accurately described by the Minister of Energy and Natural Resources on November 3 in *Hansard*, as I mentioned.

We all recall the negotiations during the 1970s, in which I was involved in a number of circumstances in concluding or finalizing negotiations with the Prime Minister on energy pricing. But at that stage of the game it was a matter of the Prime Minister and me, in essence, coming to a final agreement after considerable progress had been made by the ministers of energy.

We would have to assess the progress being made by the two ministers of energy during the course of their discussion, to ascertain whether or not such a meeting between the Prime Minister and me would be productive. One has to reach the conclusion, too, that if such a meeting occurs and is unsuccessful, there is really no further step that can be taken.

MR. R. SPEAKER: Mr. Speaker, a final supplementary.

MR. SPEAKER: Possibly we might come back to this topic if there's time. A considerable number of members have not been given a chance to ask their first question.

#### **Stability in Livestock Industry**

MRS. CRIPPS: Mr. Speaker, my question is to the Minister of Agriculture. At the recent meeting between the provincial and federal ministers of agriculture, was the minister consulted by the federal minister prior to the announcement of the federal Agricultural Stabilization Act, which subsidizes hog producers in other provinces but not in Alberta?

MR. SCHMIDT: No, Mr. Speaker.

MRS. CRIPPS: Supplementary. Were any other provinces affected by this discriminatory action?

MR. SPEAKER: That apparently would be a matter of public record.

MRS. CRIPPS: Supplementary. If Alberta isn't the only province treated in this manner, does the minister intend to make representation to the federal government on behalf of Alberta's hog producers?

MR. SCHMIDT: Mr. Speaker, there was no communication between Agriculture Canada and the provincial department, either before or after the announcement of hog stabilization as it affects producers across Canada. The information we have is the same information available to all hon. members through a news release. The indications are that each province is treated differently. It was on the assumption of that information that a telex was sent to the federal Department of Agriculture suggesting and asking for the basis of the stabilization, the formula on how the payment is to be made, whether or not there will be discrimination province to province, recognizing various programs that exist across Canada and if Albertans as producers will be recognized with the federal stabilization and, if not, why not.

MRS. CRIPPS: Supplementary, Mr. Speaker. On May 12, Minister Whelan made a statement:

while I can appreciate the desire of provinces to help their producers, in the long run — I hope we can get away from unequal treatment that makes it more advantageous to farm in one province than another.

Is this a true statement? Are Alberta hog producers in an advantageous position compared to other provinces?

MR. SPEAKER: With great respect to the hon. member, it would appear that this type of research might be done outside the question period.

MR. MANDEVILLE: Mr. Speaker, as a result of the problems we're having with the federal stabilization program, is it still the minister's intent to put in place the stabilization program mentioned in the throne debate, and will hog producers in Alberta be able to take advantage of that stabilization program?

MR. SCHMIDT: Mr. Speaker, the information we have in regard to federal stabilization still leaves inequities to producers across the nation, one province to the other,

recognizing the various programs that exist. Of course if our producers within the province do not qualify for any federal stabilization according to the news release, the problem that exists amongst Alberta producers still exists, and some form of stabilization or assurance would have to be considered.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Have hog and cattle producers had a recent meeting with regard to getting together on a stabilization plan for hog and cattle producers in the province?

MR. SCHMIDT: Mr. Speaker, the two areas in the livestock industry, both cattle and hogs, have had the opportunity of an exchange of views on two separate occasions that I am aware of, and maybe more meetings. The last meeting during which we had the opportunity to hear the views of the Canadian cattlemen indicated that the last meeting that had been held with hog producers had arrived at a suitable suggestion in regard to any form of stabilization as it pertained to the hog industry. Of course what happened to the cattle industry had to be on a separate basis, recognizing that a program of hog support certainly wouldn't meet the total requirements of the beef industry.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Could the minister indicate what the loss is going to be to Alberta hog producers as a result of the federal minister not having the \$8.96 apply to Alberta hog producers?

MR. SCHMIDT: Mr. Speaker, the federal stabilization program deals directly with market hogs. It's approximately \$9, and we produce about 1.6 million hogs. I leave it to the hon. member to multiply it out.

MRS. OSTERMAN: Supplementary, Mr. Speaker. The Alberta Pork Producers' Marketing Board has asked that the federal government expose all forms of government assistance, either directly or indirectly. If that information isn't forthcoming from the federal government, would the minister undertake to assist the Pork Producers' Marketing Board in obtaining that information?

MR. SPEAKER: Strictly speaking, the question is hypothetical, but perhaps the minister could deal with it.

MR. SCHMIDT: Mr. Speaker, just to add some information that would help in answer to the hon. member, it would appear that the program of federal stabilization will be dealt directly with each producer group or producers, province to province. I can only assume that the question the hon. member asked would be answered by the federal Department of Agriculture in bringing forth some of the answers to the questions I know the hog marketing board has already asked the federal department.

MR. R. CLARK: Mr. Speaker, a question to the minister. It relates to an earlier answer the minister gave my colleague Mr. Mandeville. Is the minister in a position to indicate to the Assembly whether the hog stabilization plan, which was discussed by an official of the Department of Agriculture at the hog marketing board's regional meetings during the early spring, is the program the minister plans to bring into implementation? And at what date does the minister expect the program to be effective?

MR. SCHMIDT: Mr. Speaker, I believe that the plan the hon. member is discussing is one of the basic plans presented. Recognizing an average return to producers across western Canada, the submission came close to the average. That, plus some alterations to various programs, are those that are under consideration.

MR. R. CLARK: When will that be effective?

MR. SCHMIDT: Mr. Speaker, it's difficult to say when it would be effective. It would depend upon the mechanical aspects of the program itself. It's a shared program, and the physical aspects of the deduction on a per hog basis would form part of the premiums.

MR. R. CLARK: One further supplementary question to the hon. minister. In the course of those meetings, certainly the expectation was [given] to producers that in fact July 1 might be a date the program could be effective. Is that date reachable?

MR. SCHMIDT: Mr. Speaker, it's difficult to set aside a specific date, but July 1 is usually a fairly good day. [interjections]

#### **Hazardous Chemicals**

MR. BORSTAD: Mr. Speaker, my question is to the Minister of Environment. Some concerns regarding pesticides and chemicals have been expressed to me. Will the owners of retail outlets across the province be forced to take courses in order to sell chemicals in the future?

MR. COOKSON: Mr. Speaker, in recent months we have passed regulations under The Hazardous Chemicals Act designed eventually to upgrade the capability of all manufacturers, particularly retail or outlet operators in various degrees of training, to make them more able to handle these particular chemicals safely.

MR. BORSTAD: A supplementary, Mr. Speaker. The Minister of Consumer and Corporate Affairs has been deregulating a number of businesses that are affected. Will the small retail stores across the country selling these chemicals now be forced to license?

MR. COOKSON: That's correct, Mr. Speaker. They will be issued a special licence under the Department of Environment. The licence is not a complex document in terms of requirement. I don't perceive it as a further government regulation that's going to make private enterprise difficult to operate, so I wouldn't see it as a counter-proposal to the Minister of Consumer and Corporate Affairs.

#### **Crop Insurance**

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Could the minister indicate whether applications for crop insurance have been on the increase this year? Are there more applications this year than last year?

MR. SCHMIDT: Mr. Speaker, at present there's no indication that there's either more or less than last year. Last year we enjoyed a good, average year in regard to the number of farmers who took out all-risk crop insurance.

It would appear that we're very closely following last year's numbers and the interest that's been shown.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Could the minister indicate whether he or the crop insurance board have had complaints from people indicating that crop insurance doesn't cover the input cost for farming today?

MR. SCHMIDT: Mr. Speaker, the indications are that the cost factor has been taken into consideration. Last year the opportunity to insure increased to \$100 per acre. The comment made perhaps more often than others was a review in regard to hail insurance, as it pertained to the all-risk crop insurance package — that some of the areas should be updated, recognizing that in some cases the premiums were slightly out of phase with the private sector.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Is it the minister's intent to change the policy so it will cover the increased cost and production of farming today?

MR. SCHMIDT: Mr. Speaker, certainly one of the ongoing aspects and responsibilities of the board is to review both the coverage and the premium rates as they pertain so the true philosophy of all-risk is what it states.

#### **Rain Damage — Pincher Creek Area**

MR. BRADLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Municipal Affairs, responsible for Alberta Disaster Services. I wonder whether the minister will be able to advise the Assembly whether he's received an assessment by Alberta Disaster Services with regard to damage caused in the Pincher Creek area by heavy rainfall last Thursday and early Friday, and whether residents will be eligible for compensation for damages caused by the heavy rain, whether it was surface run-off, flooding, or sewer back-up?

MR. MOORE: Mr. Speaker, officials of Disaster Services have analysed the situation. Apparently there was an abnormal rainfall in the area that affected about 150 homes in the town of Pincher Creek, and perhaps as many as 20 in the municipal district.

My most recent information is that it's likely that most, if not all, of the damage in the town of Pincher Creek was the result of sewer back-up, which is normally insurable. In that case, the residents would not be eligible for any disaster assistance. For that reason, residents of the area are currently being advised to contact their insurance companies to determine if in fact they have sewer back-up insurance so they might entertain a claim with the insurance company.

For residents outside the town who might have been affected by the flooding of one particular creek or river, further assessment will be undertaken during the next few days to see whether or not they should be advised to apply for disaster assistance.

MR. BRADLEY: A supplementary question, Mr. Speaker. Can the minister advise whether a claims office will be set up in the Pincher Creek area to assist residents in filing claims?

MR. MOORE: Mr. Speaker, I would first of all have to determine whether or not the occurrence of sewer back-up is the problem that really exists. That being the case, there would be no disaster assistance. I would see no need to establish an office to accept claims if we weren't prepared to make payments under the policies presently in effect. It would likely be towards the latter part of this week before I could determine whether or not there is a necessity of establishing a claims office.

#### Social Allowance Rates

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Social Services and Community Health. It flows from food estimates based on the Calgary board of health figures, and is with respect to the shortfall in social allowance rates for food. In determining social allowance rates, what assessment has been made of these Calgary board of health figures, which show that for one parent and one child, we're \$10 below the minimum nutritional requirements; for one child under 12 and one under 15 years of age, \$32 a month under the minimum nutritional requirements; and two parents and three children under 12, \$66 under the minimum nutritional requirements? As a consequence of this information, what specific review has been made of the food component of social allowance?

MR. BOGLE: Mr. Speaker, in his preamble the hon. member made reference to specific work done by the Calgary board of health. I'm not aware that that information has been made available to or been assessed by the department yet. I'll certainly undertake to obtain an answer to that question.

On the broader question of support through our social allowance programs, assessments are carried out by the department through both the income security and planning secretariat branches. Those have been increased from an annual review to a semi-annual review, and there will be adjustments on the same basis.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister with respect to the National Council of Welfare figures respecting our social allowance rates in the province and again showing the difference between our social assistance rates and the poverty line. In determining social allowance rates, what assessment is made by the department of the poverty-line yardstick, in view of the fact that we range here all the way from \$140 a month to . . .

MR. SPEAKER: Order please. The hon. member should ask his questions directly, instead of bringing in extraneous information and making comparisons without simply asking the minister for the information.

MR. NOTLEY: The information is necessary to ask the question. It's not extraneous information, because there is a difference between the poverty line and our rates.

MR. BOGLE: Mr. Speaker, there are a number of organizations in this nation which from time to time study various social issues, including the amount of assistance provided to social allowance recipients in various provinces. Mr. Speaker, I can assure the hon. member and all hon. members of this Assembly that in the reviews of the needs of social allowance recipients in this province, which now take place on a semi-annual basis, we take

into full consideration both the food, clothing, and shelter needs and other basic needs of the recipients.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. The minister indicated there is a semi-annual review. Who conducts that review, and what specific input is made by groups such as the National Council of Welfare? Is there any request for information from this organization? How is the review conducted?

MR. BOGLE: Mr. Speaker, as I had responded in an earlier question, the review is a responsibility of both the income security branch in the department and the planning secretariat. We do receive input from the social allowance appeal committees, which are made up of lay people from across the province. Those committees have input directly to the minister. In both cases meetings were held within the last few months with representatives — the chairmen and vice-chairmen — from most of the appeal committees. So in fact we are obtaining information from those individuals, along with the professionals within the department, who are in the best position to know the needs.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. In view of the information the National Council of Welfare makes available with respect to the poverty line, has the government of Alberta ever developed a policy with respect to social allowance rates as they relate to the poverty line? Is it the view of the government that they should be beneath the poverty line — as these figures seem to indicate — at the poverty line, slightly above? Has any policy been developed with respect to the poverty line as a bench mark?

MR. BOGLE: Mr. Speaker, we certainly take into account information provided by a number of organizations which provide us with that kind of input of their own volition.

In his first question the hon. member made reference to the Calgary board of health. If not available now, I'm sure that information will be. It will be given the same kind of consideration other material coming from other organizations is given.

DR. PAPROSKI: Mr. Speaker, a supplementary to the minister. In his review I wonder if the minister would also confirm whether nutritionists actually review the food allowance to be sure the dollars provided are adequate to buy that food. If the minister knows that is a fact right now, I'd appreciate if he'd make that comment.

MR. BOGLE: Mr. Speaker, that's one of the advantages of receiving information and input from a variety of organizations which have an interest. In addition to the two branches of the department I made reference to earlier, of course we make every attempt to assure ourselves, through our community health division of the department that the assistance provided is substantial and adequate to meet the needs of those who depend on our assistance.

MR. SPEAKER: The hon. minister responsible for Workers' Health, Safety and Compensation would like to deal further with a previous question period topic.

### Hazardous Chemical Spills

MR. DIACHUK: Mr. Speaker, for the purpose of brevity in some of the questions I took on notice, I will just refer to them.

On May 12, I received a question from the hon. Member for Spirit River-Fairview: "What steps . . . has the department taken to determine the level of danger to the workers involved" at the 1974 incident at Procter & Gamble? I wish to advise the Assembly that in 1974 there were no statutory requirements to report PCB spills. However, it is known that only a small volume of PCBs were lost from the transformer as the result of an overflow. There was no rupture. The company has no record of injuries associated with the incident, nor of any claims with the Workers' Compensation Board, nor does the Board have any claims to date from that incident.

On May 14, a question: will the department "take the initiative in attempting to find those people involved in the 1974 clean-up so there can be proper medical testing for their own health and safety?" I wish to advise that the company has been contacted; I have spoken to the president. The company has indicated that it does not have a list of workers who participated in the clean-up in 1974. In view of the time lapse since the spill — some nine years — and the uncertainty of the amount of PCB exposure respecting any individual workers, it would be difficult to associate any medical complaints at the present time with PCB exposure.

However, the occupational health service at Procter & Gamble has been advised of the occupational health and safety division medical surveillance guidelines respecting workers exposed to PCBs, which were issued in 1979. These require a comprehensive medical and work history with special emphasis on liver function, skin condition, and reproduction history, and a comprehensive physical examination with attention to the skin and liver functions. These guidelines are analogous to those used by NIOSH.

Plasma PCB levels have also been requested on the exposed workers. It is my understanding that the company has asked those workers who were exposed to PCB in 1974 and in 1978 to present themselves for medical examination. Section 15 of The Occupational Health and Safety Act requires that a worker be medically examined by the director of medical service or a physician authorized by that director to carry out the medical examination.

On May 15 a question referred to the Stelco spill. I wish to advise that on March 10 this year Stelco officials discovered a small quantity of PCBs and were advised that less than 15 gallons, according to various estimates, had gradually leaked from a capacitor into an enclosed system containing some 12,000 gallons of water used to cool the equipment. Analysis of the slurry sample showed the level of 128 parts per billion, which is lower than the 200 parts per billion concentration in the edible portion of fish allowed by Environment Canada.

As a precautionary measure, however, the area of possible contamination was roped off immediately for clean-up of all liquid material in the capacitor. Zorb-all, shovels, brooms, and rags were used by the six employees involved in the clean-up, who wore rubber boots, rubber gloves, and coveralls. These clean-up procedures followed those outlined in the guidelines on central collection as storage facilities for waste materials, as per Environment Canada order. All material, implements, and clothing suspected of coming in contact with the possible conta-

mination were discarded in 45-gallon drums, sealed and identified with the Stelco label.

The occupational hygiene branch of the occupational health and safety division has carried out an investigation of the incident and concluded that the workers did not receive excessive exposure, and no reports of illness among the workers have been received. No adverse health effects would be anticipated with the level of exposure identified, and therefore no medical examinations are necessary.

Mr. Speaker, one more question taken on notice was on May 21 with regard to the Suncor spill. The Suncor incident was no spill. On that occasion a transformer fluid vaporized as a result of internal arcing, and that vapor escaped through the bushings. The transformer was located in a building whose walls were coated with coke. This would have had much the same effect as activated charcoal, which is used in the treatment of poisoning, in binding any PCBs that come into contact with it.

The initial clean-up was conducted by six Suncor employees wearing personal protective equipment. Subsequent cleaning was carried out by a contractor approximately two months later. In the interim the transformer was held in a fenced, locked enclosure. The level of PCBs in the dust was very low and would have posed little hazard to the workers even without protective equipment.

The laboratory services branch of the occupational health and safety branch has completed analyses of PCBs in the blood of 16 workers with potential exposure to PCBs. None of the results were above the level of detection. Liver function tests have also been carried out on the exposed workers. The results of the liver function tests and the plasma tests will be reported to the workers individually. In accordance with existing policy of the occupational health and safety division, a copy of the report sent to the company will be made available to the local bargaining agent.

In closing, Mr. Speaker, I may indicate that the evidence indicates that there have been no symptoms among workers involved in clean-up operations in any of the episodes described nor, with the levels of exposure and the precautions taken, would there likely be any health effects. All three companies concerned have occupational health services in place. Periodic health examinations are carried out on workers, and to date no health problems that could be related to PCBs have been identified. The occupational health and safety division will continue to respond at the working level to requests from companies or the provincial or federal departments of environment for information concerning clean-up procedures, personnel protective equipment to be worn, and medical testing procedures to be carried out in the event of a suspected or known exposure to PCBs.

### ORDERS OF THE DAY

MR. SPEAKER: May the hon. Member for Vegreville revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

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

MR. BATIUK: Thank you, Mr. Speaker. It's a real pleasure to introduce to you, and through you to the

members of the Assembly, 32 grades 5 and 6 students from St. Mary's school in Vegreville. They are accompanied by their principal Mr. Spok, teacher Sister Cecilia, and bus operator Mr. Zubritsky. I would ask that they rise and receive the welcome of the Assembly.

**head: GOVERNMENT MOTIONS  
(Committee of Supply)**

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order.

**Department of Housing and Public Works**

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. CHAMBERS: Mr. Chairman, I'd like to take this opportunity to briefly highlight a few items in the budget, which I'm bringing before the Assembly for approval this afternoon. I know members are agreed that we're facing a critical time in the history of our province. The effects of the federal government's monetary and national energy policies have severe implications for Alberta's economy. The budget we'll be reviewing today is a particularly tangible indication of the efforts this government is making to offset the potentially disastrous effects of those federal government policies.

While it's true that the total amount of government capital works construction in the province is not a high percentage of all construction, nevertheless the spinoff effects of such a project in a community, particularly in rural areas, can have a tremendous impact on the economy of that community. The planning of my budget has addressed two important aspects: firstly, the economic downturn in our economy which could result from the delay in oil sands plants, caused by the national energy policy; and secondly, the need for Alberta to continue to diversify its economy in preparation for the day when our energy resources become severely depleted.

As we review the projects for which I now seek your approval, you will note that these projects will enable construction to continue in essentially all areas of the province. For example, the Minister of Tourism and Small Business recently announced plans to develop and construct an oil sands information centre in Fort McMurray. This centre will not only provide visitors with an appreciation of the historical development of the oil sands region, but will contain a tourist bureau to assist those visitors who wish to travel further into the region. In the Cold Lake-Grand Centre-Bonnyville area, the Alberta Housing Corporation recently announced its intention to construct major affordable housing projects. In Calgary and Edmonton renovation work will commence on both Jubilee auditoriums as well as major government office facilities; and in Calgary, a new remand centre.

Members are undoubtedly aware of the tremendous job the Department of Agriculture has done in promoting Alberta products through the Buy Alberta advertising campaign. We are constructing a food processing facility in Leduc in support of this concept of encouraging small business to become involved in food processing in this province. I'm confident this facility will provide for further diversification of our agricultural community.

Mr. Chairman, tourism in Alberta has seen tremendous

growth during the last few years. We are continuing to promote that growth in southern Alberta through the provision of interpretive centres at Leitch Collieries and the Frank slide, and will be establishing a major new museum and research institution on the outskirts of Drumheller, which will be devoted to the investigation and display of dinosaur remains.

Mr. Chairman, these are just a few of the interesting projects contained in this budget which I'm placing before you. But before concluding these brief opening remarks, I'd be remiss if I didn't touch on the housing aspect of my portfolio. I'm anticipating spending by this government in the coming fiscal year toward the provision of housing for Albertans to be in excess of \$1 billion. It is not only the greatest amount of money ever spent by the government in one year, but it is greater than that spent by any other provincial government in that period of time. Our housing programs will continue to provide shelter for the elderly and for low-income Albertans. In addition, we will continue to assist low- and middle-income Albertans to achieve home-ownership. Without this funding home-ownership would never be more than an impossible dream for many people.

With those few remarks, Mr. Chairman, I would be happy to entertain questions from the members.

MR. MANDEVILLE: Thanks, Mr. Chairman. I have a number of questions I would like to pose to the hon. Minister of Housing and Public Works. We all appreciate that there certainly are a number of programs under the Housing and Public Works Department. Some have been very successful and some weren't so successful. A program that I think is meeting with the most success is the Alberta family home program. It has certainly been most beneficial for many of the areas I've been in or any concerns I've had. However, we do have some complaints as far as the Alberta home family program is concerned. Number one is when an application is made. I've gone up to Calgary myself, sat down, and helped work out applications, and they certainly could be simplified. I think they should be streamlined to make it much simpler for a family to purchase a home under this program. Many changes could be made as far as the applications are concerned, and we wouldn't get so many complaints in that area.

Another area of complaint that I hear many times is our single-parent family, a widow. Under the family home program there is really no help to assist this type of person. One of the concerns of many people who have their applications approved is what's going to happen when their subsidy period runs out. How is this going to be handled? Another program that has certainly met with a lot of enthusiasm is the senior citizens' self-contained suites. I certainly appreciate the work that's been happening in my own constituency. We have them in the hamlets, the small towns, the villages. They've certainly been working out very well throughout the province, and I appreciate the ones that have been approved and completed in my own constituency.

I don't think some of the programs under Housing are working as successfully as the two I just mentioned. One program I'd like to ask the minister about is the community services program grant. It was discontinued approximately 11 months ago. I see that it's a joint federal/provincial program and that we have budgeted some money in this area. I'd like the minister to indicate what this is going to be spent on, how it's going to be spent, and whether the federal government is anticipating get-



ting involved in the community services program in the future.

One program I thought was good when it first came out was the home conversion program. However, I have seen very few applications in this area. I would like the minister to indicate why more people haven't been using this. Is it that a lot of our areas are zoned so they can't develop their basements and get into the program?

If the minister has the figures on the rural mobile-home program, I would like him to indicate the arrears on the number of mobile homes that have been rented out to different people. The farm home lending program: again, I think it's a good program, but there have to be changes in the type of homes our farmers can put up. I see that last year there were only 15 or 20 loans in this area. I would ask the minister if he's considering any changes in the design of homes for our farm home lending program, or if they're considering changing so the applications could be handled exclusively through the Alberta development corporation.

Another program that I don't think is used very much is the shell housing program. I don't know how good it is. I'd like the minister to indicate how extensive this is. When your home is 75 per cent completed, you take it over without interior fixing and take over the project. I would like the minister to indicate how successful this program is.

Finally, I look at administrative support, up 21 per cent; policy and program development, up 33 per cent. I think the minister should be taking a really good look at some of these mortgages that are coming up for renewal, where the applicants certainly can't make the payments and won't qualify for mortgages when these mortgages are renewed. I would like to see the minister take a good look at getting involved, putting some of the heritage trust fund money — I realize that they're spending over \$1 billion at the present time, but maybe we could be putting some more money into some of these renewable mortgages on a short term, to save some of our families from losing their homes.

DR. PAPROSKI: Thank you, Mr. Chairman. I too would like to make a few very brief comments. I compliment the minister and the department for the excellent work they're doing, for the intense interest and activity in housing. As the members of the committee recognize, housing is one of the key factors in the standard of living. I suggest that Alberta is second to none in North America and the world in the number of houses per capita that are being built and are present in our society.

I understand some 1.3 million housing units will be needed by the year 2000. I wonder if the minister has any figures to indicate what percentage of those homes now being built are by the private sector versus the public sector. I raise that because a concern is expressed that maybe we as a government are putting too much emphasis and undercutting the private sector, which actually has been and is doing an excellent job — not to deter from all those programs which allow literally any first-time homeowner, a single parent or a family, to buy a home under the various programs, whether they're earning \$13,000 or \$31,000. I think it's really important that those types of programs continue. But a concern is expressed that the balance is shifting too far to the public sector. I'm merely saying that is a reflection of some builders in our society.

Would the minister also expand on the land banking programs for the Edmonton area in particular. Is anything new and fresh going on now in that area, and is

land banking still a continuous program to bring on cheap or more affordable lots? Echoing the comments I made on interest the other day, I would like to make a pitch that maybe the department or Executive Council would consider a 5 per cent rebate on interest rates for conventional mortgages that are now being renewed, say up to \$50,000 or \$75,000. I'm talking about an interest rebate not to go below, say, 14, 15, or 16 per cent for at least one year, to get those who are renewing their mortgages over the hump of this high interest. When they're renewing their mortgages, it's almost prohibitive for some to maintain their houses. Frankly, Mr. Chairman, I think it would be better for them to stay in their homes rather than leave them. Maybe some consideration for that kind of rebate program would be in the department's activities over the next month or two.

MRS. CRIPPS: Thank you, Mr. Chairman. I just have one brief question to the minister. In the case of separation, assuming that the wife has guardianship of the children, an agreement has been reached where she would retain the family home, and the home is already financed through Alberta Home Mortgage Corporation, has any consideration been given to allowing the wife to refinance the home in her own name through Alberta Home Mortgage Corporation?

MR. BATIUK: Thank you, Mr. Chairman. I don't want to spend much time, but I would like to say that I'm very happy with the housing programs, particularly those for the senior citizens. Seeing that the Vegreville constituency is one of the most heavily senior citizen populated areas in the province, every year when I look at my priorities, I have to consider the senior citizens. I think the time is quite close when accommodation for them in the constituency is going to be adequate. I'm just going to speak of the area I represent. I think the senior citizens are one of the happiest bunches of people — at least they express those views whenever I discuss it with them. Many times in and out of the Legislature, concerns are expressed that senior citizens are on fixed incomes and that makes it very difficult. I don't know whether this is the case in cities. However, in rural areas senior citizens seem quite happy with the care they are getting. With health care, subsidization for renters assistance, and so forth, they are some of the happier people in town. Many times I wish we would maybe take a stronger look at those on minimum wages. I think they may be finding it more difficult.

When I think about the deficits the towns and municipalities have to pick up, I wonder whether senior citizens shouldn't be contributing a little more towards rental fees. I recall very well when I was on the Lamont foundation, we had the official opening of the senior citizens' lodge in 1968. About 100 people were waiting for the official opening. At that time the Leader of the Opposition was the minister of health and welfare. Even though he came an hour late, he apologized because he and his colleague from Clover Bar were golfing that morning. But this has nothing to do with it.

I was going to stress that at that time the old age allowance for senior citizens was \$70 per month. The rent in Lamont lodge was \$65 per month. A few senior citizens had no other income whatsoever. All they had left for themselves was \$5 per month. I know there was a community organization that helped some of these individuals. But today when they pay barely more than \$200 or \$230 rent for senior citizens' lodges and their benefits

are close to \$500, I wonder whether they shouldn't be paying just a little bigger portion for their rent rather than have the municipalities pick up the tabs. I think there are less and less requests for these lodges because some smaller municipalities find it difficult to bear that extra rent.

So I have just those few concerns. Otherwise I'm really happy with housing.

MR. R. SPEAKER: Mr. Chairman, to the minister. First of all, I want to make some comments on the direction of the housing program and how the minister sees it at the present time. When I examine some Canadian statistics and look at Alberta's place relative to other governments, we're spending a lot of money on housing; we're involved very directly. We're intervening in the housing industry and the building of condominiums, high-rises, et cetera in the province of Alberta. I'd like to give some statistics indicating that and, secondly, talk about the implications of the way we spend our money in Alberta and the way it affects the housing and shelter industry.

For example, if we look back to 1973, Alberta was spending 22 per cent of the total of all housing budgets of the 10 Canadian provinces. But if we look at 1980, when Alberta has 8.6 per cent of the Canadian population, we are spending 76 per cent; that's three-quarters of the total Canadian expenditure on housing in Alberta. As well, when we look at 1974, we find that the province of Alberta financed 12.7 per cent of all housing starts. If we look at available financing at the present time, 1980, we're financing 55.2 per cent, over half the housing starts in Alberta.

As we all know, Mr. Chairman, when you inject money into the economy, no matter how you do it there are always strings attached, there's a certain frame of reference, there's control by government, and it directs the industry. So we have intervention by government. I would like to examine that for a few moments. One question I want to raise with the minister, to have him reflect upon in this discussion, is whether he is satisfied that this intensive intervention by the Conservative government in the housing industry is working to the best interests of Albertans. Will we see this type of involvement continue in the future? Or will there be a change of policy that supports the free market place and the private housing industry in the province of Alberta?

We can also look at other tables and other points of reference with regard to the province's involvement in the housing or shelter industry in this province. For example, per capita spending on the capital housing budget stands at \$396.57 in Alberta, compared to \$6.83 in Ontario, \$12.23 in Saskatchewan, and \$12.15 in British Columbia — a significant difference in the amount of dollars we have in that private industry. In relation to that, I'd like to know what specific studies the minister has undertaken to determine the effect on the housing market in Alberta of such a high volume of housing coming under government regulation. Does the minister know the kind of housing mix the government has created because of this intervention at the present time? Does the minister know the effect of this program on homes which do not come under subsidies at the present time?

As I look at some things happening in relation to those questions I just raised, I find some 8,000 units are subsidized in Alberta through various programs of the department. I feel the following situation has been created. For example, we have put a limit on a home for assistance through, I believe, the Alberta home mortgage pro-

gram. It was \$70,000, and I believe it has just changed to \$73,000. From the best information I have, I find that this limit or amount has become the minimum for most builders across the province. That's the target they aim at and build according to, so the person qualifies for that amount of money. What we have in these circumstances are many homes built in that category. But just beyond that category, in the middle income or persons who would qualify for homes above that level, finances become much more difficult. And anyone who builds a home, builds a more expensive home. So you have a group of people who fall in between on that system.

Secondly, in terms of what I've just said, I think it has some effect or possibly quite a bit of effect on the quality of housing in the province. Because of the restrictions, I would say there's some unimaginative housing. And we have subdivisions set up with certain house-design restrictions created by finances made available by this government. That's the second thing I see as an effect.

The third thing is that I feel the amount of \$70,000 — now \$73,000 — has prevented single-family homes being built in Calgary and Edmonton. That amount has prevented them from qualifying. What it has done to many people who wish to have their own home so they can build up an equity is force them into condominiums. I understand the condominium market has flourished quite rapidly in the last while. So we've caused people to live in a different environment because of that fixed sum of money of some \$70,000. We've pushed them into condominium living, a different kind of environment which, if they have to raise a young family, they look at as their future homes. I think that's a shortfall in this program at the present time.

I'm not sure whether the government knows the kind of mix that is out there, and that's why I raised the question to the minister before I went into the statements. Does the minister have studies as to the implications out in the field? Does he really know what is happening out there, or does the government just continue the program, push the money out, and not realize how it's controlling the shelter program for the private citizens of Alberta? If we as a government are doing that type of thing, I think that is a little unfair to Albertans. People in Alberta should be able to determine their own type of shelter and way of life.

I think there has been some effect on house prices generally. While the \$70,000 maximum has turned out what I feel to be maybe a poorer quality house, it has had some effect on the unsubsidized middle-priced homes where, as I've already mentioned, I'm sure it has pushed the price up significantly. I also find from talking to persons that builders haven't built for the medium-price range, which I understand has pushed up homes further. I'd like the minister to comment on that if the department's studies have found the same.

My colleague has raised the matter of the Alberta home mortgage program and the fate of the subsidies that expire after 30 months. My question to the minister would be: for those who have mortgages, what happens to those subsidies after the 30-month period? As well, what happens to mortgages that must be renewed? The minister indicated in the Assembly the other day that there was no consideration of renewing mortgages through the Department of Housing and Public Works. After the five-year period people were on their own; they have enough equity in their home that they now have to go out on the open market. But the weakness of that argument, Mr. Chairman, is that incomes of people do

not change. They may have the equity, but the cash flow to meet increased mortgage payments is not there. We've got them out into the field, and if we drop them at that point I'm sure we're causing hardships on many families across this province. There is no indication at the present time. The Provincial Treasurer tells us repeatedly in this House that he doesn't find any bankruptcies in the province of Alberta, the farmers aren't in trouble, people who are lending money from the treasury branches are doing fine; everything's great in good old Alberta. But maybe we're at the stage where interest rates, mortgage rates, are just starting to take their toll.

In the debate in the Legislature the other day when we talked about mortgage and interest rates, my colleague said that it's time for this government to put in place some prevention programs and try to prohibit the formation of a list of bankruptcies that we'll read about in the Legislature this fall. At that time we'll say, now that so many are bankrupt we're going to rush out and do something. We'll fail to act quickly enough to meet our responsibilities. Hopefully the minister will comment on how the department and the government are going to handle that problem now and in the next few months.

One hon. member said, where would we move in a program such as this to help the private sector at this time? One, I think we could be less involved in building government houses, less involved in some of the subdivision work going on. We could provide capital to Albertans so they could plan and do their own job. I think one of the best ways at the present time is to put in place an interest shielding program, so the private sector could continue to build homes and interest would not be a significant cost in the capital of those homes.

As I see it at the present time — and I hope the minister will show me differently — the programs of government are not undermining the free-enterprise system in the area of housing. All figures indicate that we're so involved and have our hand so much in the system that we are having an effect and are changing the whole housing industry because of that involvement. Possibly we could be supportive as a government, provide the capital, provide interest shielding and, on that basis, stay out of directing traffic out there in the private sector. With all the capital we have in this province, that might be a better way to handle the situation.

Mr. Chairman, I'd like to raise one other item at this point with regard to the matter I raised in question period a number of times. This is either the lease, purchase, or rental of property outside the province of Alberta. I would like to suggest to the minister and this government that that type of property should be handled exactly the same, hopefully, as we handle property in the province of Alberta: either tenders can be put out or persons can give offers for leases; that when this type of thing is done there is a procedure within the department to check the validity of the lease, to assure ourselves that the lowest possible lease or rental accommodation has been obtained, or that we have a fair purchase price of any kind of capital facility — office, residential, or whatever it may be.

We were very alarmed on this side of the Legislature when we found that the Minister of Federal and Intergovernmental Affairs seemed to take the London residence and office buildings in hand. He was over there, showing off what a great province we have — we've got lots of money back home in Alberta, and he could make a decision and spend \$1 million of taxpayers' money for a man and his wife to live in London because we have to talk about the constitution. The lease is 53 years. If the

constitutional debate lasts that long, this government had better fold its tent and do something different. I'm sure that by July of this year we'll have lost the constitutional debate and it'll be over. So they ought to find something different to do over there besides the constitutional debate. For three or four months we're trying to buy lots of office space and . . . [interjection] I'm not; that's what the minister said. Read *Hansard*. That's exactly what he said. He said we had to have this fine residence for \$1 million, and office space as well, so we could have people over in London to meet with the British government, to wine and dine. These are the Agent General's own remarks: he had to have this residence to wine and dine the MPs over in Britain while he talked about the constitution. If I can recall his other words quoted in the article, he wanted to use tax-free booze to look after the wining and dining of these MPs over in Britain. That's what he said; it's quoted verbatim. If that was the purpose of spending \$1 million and that's the purpose of an agent general, that's a very sad situation.

But the question I raise with the minister is how he handles these kinds of lease, rental, or purchase agreements. Up to the present time, the way the Minister of Federal and Intergovernmental Affairs handled it: one, he didn't justify it to anybody, and two, he's making a big fellow of himself over in London. I think we should be making big fellows of ourselves back in Alberta for Alberta taxpayers. So I'd like the minister to make a remark or two with regard to that policy of government and the use of public funds.

DR. CARTER: Thank you, Mr. Chairman. I wonder if the minister would comment on whether any policy change is contemplated within the department with respect to senior citizens applying for housing subsidized by Alberta Housing Corporation. The present system is that the potential resident comes in and makes a declaration as to the amount of money he has in the bank and so forth. The same thing also holds true for residents with the renewal of their leases. The senior citizen must bring in his pension cheques and all the rest of it and have them photostatted.

As a follow-up to a private discussion with the minister last week, I'm wondering if we realize that the majority of our senior citizens are so honest that perhaps we could do away with this provision in the department of having all the cheques xeroxed. I think a considerable number of our senior citizens take this as an affront to their integrity.

MR. GOGO: Mr. Chairman, I have several questions I want to put to the minister. First of all, I'd like to make a comment with regard to the policy of the government in terms of housing in general. From all parts of Canada, I think it's pretty evident that when the government of Alberta made the policy decision that there was really one of two routes to go — one, we could go the route that some other jurisdictions have chosen, that multifamily housing is the housing of the future. Initially that looks fine, but if one looks at areas of Canada such as Toronto, Montreal, Hamilton, Winnipeg, and Vancouver, in 15 or 20 years it turns into slums. So I think the government made a very wise decision in forming the Alberta Home Mortgage Corporation to provide a medium by which they could channel mortgage funds. I think that was a very wise decision.

Under the family home ownership program — and I have raised this now for two years; this is the third year. I

put the question again to the minister. The sole purpose of the home corporation is to provide affordability in housing. As I understand it, that's why it exists. Very clearly, when you look at the number of mortgages in the total picture, it is the money lender in the province of Alberta. This concerns the situation whereby if a citizen wants to buy a house from a vendor whose mortgage is with the Home Mortgage Corporation, the normal transaction would be that they would make an offer to purchase that house, come up with the difference in money in the agreement, and purchase the house. However, they're prevented unilaterally from applying for one of the most important ingredients of our housing programs, and that is the subsidy program. That person is not allowed to purchase that house and apply for subsidy. What has to happen at present is that the mortgage must be paid out and a new mortgage must be created, with all the attendant legal fees, including a survey plan. Where we in principle have endorsed a program of affordable housing, we've made it quite the opposite. In effect we've made it almost double the down payment requirement.

So I'd like to pose to the minister the question of a year ago: from a policy point of view, have we addressed that question whereby we can allow new purchasers of existing homes that presently have Home Mortgage Corporation mortgages without having to float a new mortgage and apply for the subsidy program?

Secondly, Mr. Chairman, a question to the minister. Three out of five marriages in Alberta are now ending up in the divorce courts. A couple with two children is divorced. Each receives custody of one child. The wife with the child retains the home. That home is presently financed by the Home Mortgage Corporation, but they're clearly divorced. The husband wishes to apply for and receive a mortgage from the corporation. He has one child so he qualifies in terms of a single parent. Can that person qualify, either in the present location or in another location in Edmonton where he's transferred with that child? My understanding is that he cannot.

Mr. Chairman, with regard to the core housing incentive program — that program where half the suites are rent controlled on the basis of a person's income — from my perception, certainly for the constituency I represent, it's been a very, very successful program, with those long-term, low-interest mortgages and the condition to that of designating suites and having rents based on people's incomes. When we compare that to the self-contained senior citizen suites, I'm wondering if somehow we couldn't allow the private sector that does the construction under the core housing incentive program to do some self-contained suites for senior citizens. My understanding at present is that all our self-contained suites in the province of Alberta are cost-shared in some way with Canada mortgage corporation. I don't know if that's true. I'd like the minister to comment on that, because it seems to me we're creating greater and greater disparity between those who can get into self-contained suites and those who can't. It could well be that an increase in the private sector creating affordable housing, between the senior citizen self-contained suite program and the core housing incentive program, would allow many more Albertans to get into affordable housing.

I would like to comment, Mr. Chairman, that I think the success of our self-contained suite program through the province is in direct proportion to the housing authorities that have been appointed. All over Alberta we have groups of volunteers who give freely many, many hours of their time, without compensation, not only to

run the affairs of the housing programs in their community with both community and senior citizen housing but to carry out studies with the municipal authorities to determine the requirements for new housing. In Lethbridge we are very fortunate — and I'm sure it's common through the province — with the chairman, Mr. Montgomery, and his board in doing just an excellent job with, I think, about 350 suites presently under their administration.

The final two questions, Mr. Chairman. I understand the government leases perhaps a third or better of the downtown office space in the capital city. I don't know what the lease rates are, but it seems to me that with the increase in costs we now have lease arrangements which are net, net, net, or triple net. Obviously operating costs of those buildings are a very, very significant factor. That brings up the question of conservation. We have not only buildings that are built to code but energy efficient buildings. Where the Alberta government undertakes an agreement to lease a given space over five, 10, or 20 years, whatever the case is, even before its construction, does the Alberta government insist on certain standards based on conservation, such as heating costs and other operating costs? Obviously the government as the lessee is the group that is going to pay that.

Finally, Mr. Chairman, the minister announced last week the increase in the income level for the pioneer home repair program from \$12,000 to \$13,500. Although I've read the press release, I didn't see when it was effective. Would the minister respond as to when it is effective, if that date has been announced, and if not, if it's on the basis of approval of his estimates?

Thank you.

MR. DEPUTY CHAIRMAN: That completes the list of members who wish to participate. Would the minister like to comment?

MR. CHAMBERS: Thank you, Mr. Chairman. I have been trying to make notes on quite a diversity of questions. I hope I will be able to cover them. If I miss anything anybody asked, I assure you it's inadvertent and please ask it again.

The Member for Bow Valley mentioned application forms. Perhaps they can be simplified. I'm sorry he isn't here right now, but I'm sure he'll get the word. If he has any suggestions as to how we can simplify them, we'd be happy to listen to them. I would point out, though, that we are spending a lot of taxpayers' dollars, therefore the Home Mortgage Corporation has to be especially careful in terms of checking out its application forms, as compared to somebody in the private sector. By the nature of government spending, we have to be extra careful. But that doesn't mean to say improvement isn't possible, and we're always happy to entertain suggestions.

The Member for Bow Valley mentioned no help for a single parent family. I think maybe he was talking about singles, because obviously there are a lot of single parent families who are assisted and require housing under the programs. I've been asked before in this House about mortgages for singles. I've always pointed out that it's really a question of priorities. I think most members would agree that the first priority has to go to housing families. I guess one could fairly say that we're probably the most overhoused people in the world. If you look at the density of persons per house, it's something in the order of two. If you get into priorities, obviously you're housing more people more efficiently if you have two per

house than if you have one per house. That doesn't mean to say it should be ruled out. From time to time it is reviewed by the corporation, usually about once a year. However, to this point, the priorities are with families rather than with singles.

He mentioned the subsidy and when it runs out. Incidentally that period is 20 months, not 30 months. After that period of time they're evaluated, regardless of whether the circumstances have or haven't changed. If the subsidy is still warranted, then it may be obtained. So I'm not so sure the member totally understands the program in that regard.

Community services turned out to be a short-term program of the federal government. At a housing ministers' meeting with the federal minister in Toronto three years ago, we were sure it was a permanent program. As it so often does, the federal government unilaterally cancelled it last year. So other than winding up what's in process, the program has been discontinued. We have a meeting of the provincial and federal ministers scheduled for, I believe, June 2 and 3. From my own standpoint, and I think the standpoint of my other provincial colleagues, I know that many if not most of us believed that the community services program was one of the better programs the federal government had, that they had made a firm commitment to it, and that it should not have been unilaterally cut. Many provinces have faced significant difficulties over having that program chopped upon very short notice.

I hoped that home conversion would have gone a little better than it has to this point. We knew there'd be a number of difficulties in getting it under way. Zoning requirements, building by-laws, fire codes, and so forth are perhaps natural hindrances to the program. But I hoped it would have had faster take-up. I'm still hopeful that it will gradually catch on and expand, because it's certainly a useful way to accomplish a couple of things: one, to help people in a given circumstance pay their mortgage — in other words, more income, more affordability — and to make more efficient use of housing.

Another program he mentioned was the shell housing program. It has not had much take-up either, but I'm still hopeful it will. In talking with industry people the other day, I think they're becoming generally more optimistic with regard to that program. Look at the success of the co-operative housing action program where we're building something like 1,000 units. This is generally self-help. People get interested and take a course on how to become their own contractor, or builder for that matter, or at least how to go about selecting a contractor. They get personally involved in the construction of their home. So there is a do-it-yourself attitude out there. I think maybe the shell housing program is something the builders should concentrate on more, because there is a market for it and potential sales there for them.

With regard to mortgage renewals, I wasn't totally sure of the question the member was asking. Under the Home Mortgage Corporation, the mortgage comes up for five-year renewal, then its 40-year amortization is renewed at the current rate, which today happens to be 13.5 per cent. Now if he's talking about private mortgages, of course that's a different aspect. In response in the question period, I've indicated that the policy of high interest rates that's resulted in this country having such a rate of inflation is a federal government policy. They've set that policy and they're pursuing it. Therefore they should take the firm and full responsibility for it. Recently I made that point to the federal minister, and I intend to do it

again at the next meeting. It's not the job of the provinces to bail them out. They created the mess. It's their full responsibility to solve it.

The Member for Edmonton Kingsway ... I wish I could read my writing a little better. He was asking me about land banking programs. Of course, as a matter of routine, we have banked for years all over the province for a number of different reasons: institutional purposes, public buildings, industrial banks, and residential. So that's a program that is carried on in a normal way across the entire province. Again, I think I've addressed his question with regard to the mortgage in as positive a way as I can.

The Member for Drayton Valley: if I understand the question, the one spouse can stay in the home and assume the existing financing — if that's the response that was requested. The response to the Member for Vegreville with regard to lodges: we did change the lodge program a few months ago. There's a four-year formula, a phase-in to somewhat higher rates. The Member for Vegreville quite correctly pointed out that — I think 20 odd years ago the pension cheque was less than what one paid in the lodge. Today it's something less than half. A study we commissioned a couple of years ago that involved a number of departments and the Senior Citizens' Homes Association concluded that people could pay 55 per cent of income on lodges and be very comfortable indeed, because it is a hotel type of accommodation: meals, linen, and the whole aspect. I think this formula will achieve that. In fact if you take the renters assistance, it will really work out to about 50 per cent of income that the senior will pay. I think that's very well accepted by seniors. But those increases also help the foundations responsible for operating these lodges. We also improved the contributions to the mill rate situation. So I think those two changes will make it much more viable for the foundations. The response I've had from the foundations on the changes have been very positive.

The Leader of the Opposition raised a number of points. I'll have to admit that on the one hand I thought he was telling me that we were doing too much in housing and should get out of it. On the other hand I thought he was telling me that we were not doing enough and should be pouring more money in. I wasn't sure what side of the fence he really stands on.

As far as housing mix, sure, we evaluate the housing mix. By the way, we didn't raise it to \$73,000; it's \$70,000 for a new house and \$56,000 for used. Those levels are reviewed on a periodic basis by the Home Mortgage Corporation. A good criterion for whether they're too low or not, I suppose, is when the demand falls off. If we start getting a reduced demand, that's a pretty good indication that the levels are too low and probably should be adjusted.

I think all members would agree that what we're after here is affordability and the greatest value for the public dollar. We're talking about very good accommodation — 1,100 square foot houses. If you look at all the families in this province who were brought up very successfully in houses 800 square feet or less, I think the criterion we have for house size is very good indeed.

With servicing and land costs today, there's no question that the name of the game in the future just has to be higher densities. It's the only way to improve affordability. Through our municipal incentive grant system, we're certainly encouraging municipalities to become more aware of that, to recognize the facts of life in the future and go for higher densities. There's nothing wrong with

good town housing, link housing, row housing. It has had a bad name at times in the past. I could take you up to Fort McMurray and show you some beautiful projects that are extremely attractive indeed — zero lot-line concepts and varying setbacks — extremely attractive high-density housing.

The Leader of the Opposition says, are we too far into the business of housing? Well, I'd like to be less involved. I'd like to see the private sector doing more. Of course the private sector is building all the housing. Through the housing corporation, we build for the disadvantaged — 4,000 units in the budget this year. But the Home Mortgage Corporation work is financing. We're in there because of need. Over the past few years, Alberta has been in the position of having to provide energy supplies for Canada. We've tried to do that job, and I think we have done it extremely well. That's meant providing infrastructure.

For example, the Syncrude plant means a lot of people come in for the construction phase and the permanent employment phase. There are many spinoff effects, and that infrastructure is expensive. We had something like 7,000 people a month coming into Alberta last year. I think we've had to respond to a need, and we've done that through a massive investment in housing. I hope the rest of Canada appreciates the investment we've made in this infrastructure to produce energy for Canadians. I really look forward to the day when the private sector will take up the slack and do more of the building. Hopefully that will occur in the future to a greater extent.

In question period the other day, I think we had our debate, if you like, over the Agent General's residence. That can be deemed a difference of opinion. I think the residence is a very good purchase and necessary for the fulfilment of the duties to be performed by the agent general. It's not just short term. It's long term. I think agents general have been around for a long time, have performed extremely useful roles, and will continue to do so in the future. Our activities in London are to the extent that they require additional office space and consolidation. Space costs are high in London — no question about that — and probably will continue to escalate if inflation in that country continues at the present rate. Those are facts of life.

MR. R. SPEAKER: Mr. Chairman, to the minister. I used that as an example and maybe elaborated on the example extensively. The question I really raised was the policy in the department in terms of leasing, renting, or buying facilities outside the province, use of tenders, and use of professional people in the department for making those arrangements for leases, rentals, or purchases.

MR. CHAMBERS: Mr. Chairman, in the case of the residence, we utilized the federal government appraiser who was there. Of course we also do in-house appraisals. If you've been there, London is not a city in which there are great open land tracts that can be developed. It's a case of redevelopment, and there's a high degree of business activity. Not much property is available at any given point in time. It isn't a case of, say, having 15 different properties, or maybe two, that you can look at and evaluate differently. A property comes along; you appraise it as to whether it's good value or not. If it's what you need, you take it. There isn't the free market situation that exists in other places in the world.

MR. R. SPEAKER: Mr. Chairman, the minister still didn't answer the question. Specifically, is there a written policy within the department on handling of leases, rentals, or purchases of property outside the province or internationally? Is there a government policy, or is each one done by the ministers of respective departments? Or when a minister of another department makes a request for lease, rent, or purchase of some property outside Alberta, they go ahead and do it on their own and report back? Is there a formal procedure which goes into effect, or is it done on an *ad hoc* basis? Maybe this one wasn't done that way, but that was the feeling I got earlier.

MR. CHAMBERS: Mr. Chairman, I don't think that much property is acquired outside the province, but Housing and Public Works is responsible for leasing and construction of accommodation. When property is to be acquired or constructed, my department does it.

MR. R. SPEAKER: There's no formal procedure. It's done on request to the minister. At that time the minister puts in effect any type of policy he or she feels fit. So there are no checks and balances, no definite routes of appraisal, no definite assurances in writing or whatever to assure us on this side of the House, and I'm sure Albertans are certainly interested in this one.

For example, I'd appreciate very much if an appraisal were done of the personnel from the federal government in this London one — I believe that would be a public document. Could that be tabled in the Legislature as an example of how it was handled? Could investigations of the hon. Minister of Federal and Intergovernmental Affairs in his formal written report to yourself, as minister responsible for this purchase, be tabled in this Legislature? Are there some checks, and is there something on record that shows us a good assessment was done? We can argue the justification for the house, but it's still a million dollars over a long period of time. It's a long-term commitment of this government and successive governments. Let's say 10 or 20 years from now, when someone looks back and asks why we are paying so much to keep this house in operation over in London, they will know why because it's documented and a good, formal procedure was followed. If none of those pieces of evidence are available, I guess we have to accept that, but on the other hand, certainly be critical of it.

MR. CHAMBERS: Mr. Chairman, there are ways of acquiring space. It can be done by tender. If you have a good buyers' market, I suppose you can describe the space you need and go out and tender it. That's often difficult because you have specific space needs; then you use appraisers. We have very qualified in-house appraisers and we also use consultants. We follow very specific guidelines in terms of how we appraise property, whether in-house by our own people or through the use of consultants. We have an appraisal committee that sits down and evaluates each of these, and they're done in a very businesslike way. In the end, though, I suppose it's a judgment factor. You can go over and say to me that you don't think that was a good deal. I can tell you that I think it was. I don't know where we go from there.

I think five or 10 years from now, when you look at inflation over there, those acquisitions are going to look very, very good indeed. If somebody got property 20 years ago, probably it was cheaper than property acquired today. Property acquired today is going to look very inexpensive compared to property acquired 20 years

from now. But it becomes a question of judgment. In the department we follow firm procedures for appraisal and evaluation. I don't know what I can add to that.

MR. R. SPEAKER: Mr. Chairman, outside of debating the merits of the purchase, all I'm saying is can the minister table some of that documented proof so we are assured here as legislators — that's my responsibility, as I understand it, when we're discussing estimates of expenditure in this coming year. When things like this happen again — that happened to be a special warrant decided outside this Legislature. We haven't even approved that expenditure yet, so I haven't had a chance to talk about it, only through question period. But when situations like that occur, isn't it incumbent upon the minister to be able to validate it by written proof in this Legislature? The minister can give me a verbal description, but in a formal appraisal, if there are formal procedures, just put the document on the table and I'll be satisfied. That's number one.

Number two, in this specific incident, if that's available, put that on the table and I'll be satisfied. All I want is a commitment. I don't want to debate the issue. That's not the point I'm trying to make.

MR. CHAMBERS: Mr. Chairman, I think I can probably do that. I'm perfectly happy to check and see if I have an appraisal that can be tabled. I wouldn't want to dump on members wheelbarrows full of the appraisals we have on all properties. I don't think you'd want them. But I'd want to check that there is no reference in the appraisal that might be breaking some kind of confidence that shouldn't be broken. I think I can probably table that appraisal. I will endeavor to do so.

MR. BATIUK: Mr. Chairman, I wonder if I could pose one question to the minister. I think I raised it earlier: making monetary provisions for home-owners to renovate or otherwise. I have had people inquire about that. It seems that money is available to build a new home, but some homes need renovations or expansion. I know that even the city sells homes where there is development or something at almost giveaway prices. Yet to move them and put them on foundations costs several thousand dollars. So I wonder whether a program of this type, to look at many of these older homes, would not be worth-while. Even if they are old and need some renovations, they were probably built with much better lumber than they are today and could last a good length of time. I wonder if the minister would advise whether he's looked at that program of his, and whether it would work?

MR. CHAMBERS: Mr. Chairman, if I understand the member's question, we don't have such a program. But we're always willing to listen to advice and certainly would be happy to give it consideration.

I hope I answered all the questions the Leader of the Opposition asked. If I didn't, I'm sure he can remind me of them. The Member for Calgary Millican pointed out the honesty of senior citizens, and he's certainly correct. I believe the housing authorities have recently lifted the limit on interest they need to be concerned with to something in the order of \$500. Seniors are very honest. If they get a shift in interest rates, they tend to be right in to report it, causing additional administrative effort. I think the point is certainly valid.

The Member for Lethbridge West and I have had an ongoing argument over the payout on mortgages. He has

one view and I have another, and they don't reconcile. I think there's no reason the payout of mortgages should be any different than a private mortgage. There are inherent costs in doing so. In my view our Alberta Home Mortgage Corporation will continue to pursue the same practices in that area that we always have.

With regard to leasing of space, that is an important factor. About five years ago I think, sometime around '74 or perhaps '75, the department did a study on energy efficiency, using models of different buildings large and small, and found out some very enlightening things. We could achieve energy savings of 50 and maybe even up to 80 per cent in some cases, not through the insulation route but through proper control mechanisms such as the dimming of lights when they're not needed, fan controls, and mechanical aspects of that type. This sort of energy-efficient program has been carried out by my colleague the Minister of Government Services in essentially all our government buildings, with the result that large savings in energy are involved and done in a very cost efficient way. These changes are not capital intensive. We do lease a lot of space, especially in the major metropolitan areas. When we evaluate buildings we take into account the energy efficiency components of those buildings. In other words, that would enter into the evaluation. We look very hard at that. We don't want to have high energy consumption buildings leased for extended periods of time. I think landlords are certainly becoming more and more aware of that as well. They have to have a competitive product. Therefore they are looking more and more at energy efficiency when they build. Our department certainly takes that into account.

I think the Member for Lethbridge West asked me about cost sharing. That varies of course. CMHC comes out with a number and then usually adjusts it upward later in the year. If some provinces don't take it up, more are available, but one is never sure at this point in time how much might be available. For example, we're looking at building 3,170 units in this budget, 2,000 self-contained and 1,170 community housing, and out of those CMHC is proposing to cost-share 900, which means we'd have to finance the rest 100 per cent unless we can talk them into doing more. In the past they have been pretty good about raising the number of units they'll cover. Hopefully they'll cover more again this year.

MR. GOGO: Mr. Chairman, just for clarification. I'm much assured that a great deal of thought goes into the energy conservation of office space leased by the government. I'm sure we've all heard criticism of government buildings appearing to leave lights on all night and that type of thing. I'm very pleased to hear that when leasing space the government considers energy conservation before they lease it, because obviously that is a factor in the operating cost.

Just to come back very quickly to the mortgage question, I hope the minister didn't misunderstand. If a person owns a house with a mortgage on it from the Home Mortgage Corporation and wants to sell it, as I understand it now a purchaser can come along, buy that house through an offer, so long as they are acceptable to the mortgage corporation, and everything's fine. That's a normal transaction. The mortgage is not paid out at all; it's just assumed. That's my understanding.

What I'm getting at is that because of his income level, that same person wants to apply for the subsidy, which I understand is distinctly separate from that, except it results in a lower mortgage payment. For the life of me, I

have great difficulty understanding why, when we entertain that on a new mortgage, we can't do it on the same mortgage, because the property really exists and hasn't changed. So there are two distinct transactions the one way. The minister is telling me that the way it is now, the mortgage has to be paid out, a new mortgage has to be created. A person who would qualify for purchasing the house in the first place is no different; it's just a question of the subsidy. If the person is eligible (a) for the mortgage and (b) for the subsidy, I fail to understand why the mortgage has to be paid out and a new one created on the same property. That's really the concern I have. Quite frankly, recognizing the number of people in the subsidy program, I think that if we're going to continue to provide affordable housing to Albertans, that's a very, very important point for many Albertans.

MR. CHAMBERS: I accept the proposition put forward by the member. We've discussed this for a considerable period of time. I think it's a point of disagreement. He's entitled to his point of view, and he may well be right. I guess I'm entitled to mine, but that's where it has to sit.

MRS. CRIPPS: Mr. Chairman, for clarification. Mr. Minister, referring to the housing situation I asked you about, I was talking about when the remaining partner has to buy out the other partner's share, then they are ineligible to refinance. I think that when a mother with children is left, it's a real hardship if she has to sell the house and move to another house, as opposed not just to taking over the mortgage; she has to buy out the other partner's share, because in most cases they don't just say, well, the house is yours.

MR. CHAMBERS: I don't know if I can respond to that any further than I have, Mr. Chairman.

MRS. CHICHAK: Mr. Chairman, I just want to raise a couple of points with the hon. minister. With regard to facilities being leased or tendered to the government for leasing, which provide various government services, does the minister have a policy in place on the provision of at least some minimal parking and ramping included in the original design of the building to accommodate handicapped people who may require services that might be offered within such buildings? That is, when any government department requires new office facilities and has advertised for such and the private sector submits tenders, when consideration is being given to those tenders, do they include in there as a specific criterion the kind of access, egress and ingress, for handicapped people? I would like the minister to indicate whether that's a basic policy requirement in consideration of tenders for leasing of buildings.

The other is with respect to lodges, particularly in rural areas. I recognize that lodges generally are constructed for seniors in the smaller rural centres when the communities or the municipalities have requested such facilities. Alberta Housing Corporation has accepted the applications from municipalities within a very close proximity. We've found that in a number of areas it has taken an inordinately long period of time, and in some instances these lodges just are not being filled; they are perhaps 40 or 45 per cent vacant.

Would the minister review the policies in place, considering the procedures followed in considering the applications and agreeing to construct a lot of these lodges? Is it being considered to have in place first of all a criterion to

determine whether the proximity of the facility to others within the region is such that there would be substantial vacancies for inordinate periods of time? I won't use this opportunity to identify any of the locations, but I believe that has been brought to the minister's attention on a number of occasions. Perhaps he could comment on how there is a more thorough screening of whether some of the lodges ought to be built in some of the areas they are, particularly when they're very close, within 10, 15, or 20 miles of one another.

I would like to suggest to the minister another point: that he might take into consideration for future policy development, because I know it does not exist at this time, making mortgage funds available to communities, parish organizations at preferred interest rates for the construction of churches. Currently such communities must go to conventional lending institutions and pay an extremely high rate. I recognize that churches are exempt from paying property taxes, and that has been considered one of the benefits derived by the community. But if we take into consideration people who serve or work in the various communities, the volunteer service provided by them, and the constant support, both financial and physical, given to offer counselling or various social programs, not only spiritual but other social services, provided within the sphere of the parish . . . Most of them have what we call auditoriums. Very often without charge, or extremely minimal charge, they offer social programming for seniors or younger people of the community. And to have the very same people pay an additional amount to obtain mortgages where new churches are being built or where there are requirements for renovations or conversions to enable them to get better utilization of the facilities for the community . . . If the minister might take into consideration formulating some policy to provide mortgage funding with preferred rates for those kinds of applications, they would not be so significant in numbers. However, they would help a good number of communities.

MR. CHAMBERS: Mr. Chairman, with regard to provisions for the handicapped, yes. In all our construction, whether through Crown corporations or the departments, that's a factor and has been for a long time in terms of ensuring adequate ramps, parking stalls, and so forth for the handicapped. That is a substantial criteria that we have and follow.

The question on lodges: I think one difficulty is that we have a few vacancies here and there, as the member pointed out. Probably one reason has been the success of the self-contained apartment program. Many, many people find they would rather have a self-contained apartment than be in a lodge. Perhaps that has caused some vacancies.

Some older lodges that were built 20 years or so ago had double rooms. Social habits are changing. Today most people prefer single-room accommodation rather than double. So we changed policy in that area and allow utilization of double rooms by one person. They pay somewhat more, as the member is aware. But it's an important point. When we annually assess the number of lodges we're going to construct, we have to look very carefully at where we put them and whether they will be filled. While you can put in four units of, say, self-contained apartments and that will be economic, obviously a lodge with a hotel type of accommodation has to be of a certain size and occupancy rate to be a viable



economic enterprise for the foundation. It's a very good point.

Agreed to:

Vote 1 — Departmental Support Services:

1.01 — Minister's Office	\$196,600
1.02 — Deputy Minister of Public Works	\$186,400
1.03 — Deputy Minister of Housing	\$109,900

#### 1.04 — Administrative Support

MR. MANDEVILLE: Mr. Chairman, in most of the votes I see administrative support staff is up: in Vote 1 up 25 per cent, in Vote 3 up 45 per cent, and in Vote 4 up 23 per cent. Could the minister indicate why the increases in all administrative support staff?

MR. CHAMBERS: Mr. Chairman, I guess it might help if I give you a detailed breakdown. For example, on 1.04 there was an increase of five permanent positions; three conversions form new man-years for \$105,000. The general manpower price increase is \$124,800; the increase in consultants required for records management and systems branch, \$55,000; the increase in materials and supplies for printing construction jobs, \$22,000; and the increase in supplies and services related to new man-years and general price and volume increases, \$49,600. That makes the increase of \$356,400.

Alberta is a growing province. As I pointed out earlier, 7,000 people a month were coming in last year. The need for more services; the capital works we have going on require more people; inflation is a definite factor; and of course the systems, machinery, and people to handle this growth cost money. In a nutshell, those are essentially the basic reasons for the general increases.

Agreed to:

1.04 — Administrative Support	\$1,782,400
Total Vote 1 — Department Support Services	\$2,275,300

Total Vote 2 — Operation and Maintenance of Waterlines	\$1,074,100
--	-------------

Vote 3 — Planning and Acquisition of Accommodation:

3.1 — Administrative Support	\$4,330,800
------------------------------	-------------

#### 3.2 — Provision of General Purpose Space

MR. MANDEVILLE: Mr. Chairman, I might have missed ... I notice the Member for Lethbridge West was discussing provision of general purpose space. Could the minister indicate — or if it's in *Hansard*, I'll accept that as the answer. I see 82.8 per cent. Is that a result of more space needed for offices in the big cities, or is it in some smaller centres as well?

MR. CHAMBERS: Again because of the percentage increase in this case, it might be helpful if I give the Member for Bow Valley some detail. Price and volume increases in lease costs amount to \$18.18 million. I think members are aware of the substantial increases occurring in lease costs in recent times. The price and volume increase in tenant improvements, including project consultants, is \$18.1 million. The price and volume increase

for furniture for government departments is \$3.8 million. I guess that totals \$40.8 million, which is the percentage difference shown there.

Agreed to:

3.2 — Provision of General Purpose Space	\$88,500,000
3.3 — Grants in Lieu of Taxes	\$12,550,000
3.4 — Telecommunications	\$18,547,000
Total Vote 3 — Planning and Acquisition of Accommodation	\$123,927,800

Vote 4 — Planning and Implementation of Construction Projects:

4.1 — Administrative Support	\$9,567,440
4.2 — Advanced Education and Manpower	\$13,332,000

#### 4.3 — Agriculture

MR. MANDEVILLE: Mr. Chairman, I see a drastic reduction here of 64.7, and I think that's for the lending program for building farm homes. Would the minister indicate the interest they have with the applications? Do they get a number of applications for farm homes that don't qualify? What is the reason for the small number of applications that have been approved? Is it that applications aren't coming in, or that they don't qualify?

MR. CHAMBERS: Mr. Chairman, I think it would be fair to say we haven't been getting that many applications. However, from the applications that have been processed, I think the program has helped those people who have utilized it. I've often been curious as to why it hasn't had more take-up. Perhaps one reason is that alternatives are available either through treasury branch borrowing or other. In any event, to my knowledge it isn't a question of turning them down; it's that the number of applications hasn't really been that great.

Agreed to:

4.3 — Agriculture	\$332,000
4.4 — Attorney General	\$46,025,000
4.5 — Tourism and Small Business	\$2,385,000
4.6 — Culture	\$6,329,000
4.7 — Energy and Natural Resources	\$15,025,000
4.8 — Environment	\$2,174,000
4.9 — Executive Council	\$9,988,000
4.10 — Government Services	\$1,921,000
4.11 — Education	\$2,025,000
4.12 — Labour	\$649,000
4.13 — Recreation and Parks	\$16,822,000
4.14 — Social Services and Community Health	\$18,862,000
4.15 — Solicitor General	\$18,187,000
4.16 — Transportation	\$5,256,000
4.17 — Housing and Public Works — Multiple Use Facilities	\$81,446,000
4.18 — Hospitals and Medical Care	\$1,000,000
4.19 — Multi-Departmental Services	\$1,000,000
Total Vote 4 — Planning and Implementation of Construction Projects	\$252,325,440

Vote 5 — Policy Development and Financial Assistance for Housing:

5.1 — Policy and Program Development	\$1,474,900
--------------------------------------	-------------

**52 — Housing Assistance**

MR. MANDEVILLE: Mr. Chairman, I want to take this opportunity to congratulate the minister for bringing in Bill 33. I think it was certainly a step in the right direction, and I'm hopeful the minister will get together with the Minister of Hospitals and Medical Care so he will bring in a Bill to take care of some of our people who fit into this same category as far as extended health care is concerned.

I'd like to ask the minister a question on this. Many senior citizens fit into the category where they're between 60 and 65, are a spouse, have lost their provider, and weren't able to take [advantage] of the senior citizen home program. What method will the minister be using to get back to widows in this category, to see that they realize they now qualify for the senior citizen home repair program?

MR. CHAMBERS: For one thing, Mr. Chairman, we will be changing the brochure. Of course these are widely available throughout the province. Asking the question today hopefully will help advertise it as well, and certainly every member here can pass the word. Generally though, I think seniors watch these proceedings and are aware of changes we make in programs. Hopefully the word will get out there and those who are able to take advantage of that will quickly find out about the change.

Agreed to:

52 — Housing Assistance	\$3,427,600
53 — Financial Assistance for Housing	\$66,699,000
Total Vote 5 — Policy Development and Financial Assistance for Housing	\$71,601,500

6.1 — Program Support	\$13,504,000
6.2 — Staff Housing	\$39,000
6.3 — Subsidized Housing for Low Income Albertans	\$50,220,000
6.4 — Land Assembly and Development	\$6,805,000
Total Vote 6 — Housing for Albertans	\$70,568,000

7.1 — Program Support	\$8,050,000
7.2 — Mortgage Lending	(\$11,125,000)
7.3 — Subsidies	\$29,975,000
Total Vote 7 — Mortgage Assistance	\$26,900,000

Department Total	\$548,672,140
------------------	---------------

MR. CHAMBERS: Mr. Chairman, I move that the votes be reported.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, perhaps I could informally ask the Acting Leader of the Opposition if the Legislative Assembly estimates and the members of the Members' Services Committee are ready to go at the present time. That's not a government item, so I'm not aware of the situation.

MR. MANDEVILLE: Yes, Mr. Chairman, I'm sure they are. I'm sure they're prepared to go ahead with the votes each individual member is responsible for.

MR. DEPUTY CHAIRMAN: Is it agreed that we move forward with Legislative Assembly?

HON. MEMBERS: Agreed.

**Legislative Assembly**

Agreed to:

1.01 — Administrative Support	\$2,802,002
1.02 — Members' Indemnities and Allowances	\$2,906,851
1.03 — Speaker and Deputy Speaker — Office Services	\$119,948
1.04 — Government Members' Services	\$514,479
1.05 — Opposition Members' Services	\$528,507
1.06 — Legislature Committees	\$235,280
1.07 — Legislative Interns	\$129,058
1.08 — Hansard	\$599,301
1.09 — Legislature Library	\$739,045
Total Vote 1 — Support to the Legislative Assembly	\$8,574,471

Total Vote 2 — Office of the Auditor General	\$7,530,862
--	-------------

Total Vote 3 — Office of the Ombudsman	\$622,319
--	-----------

4.1 — Administrative Support	\$288,805
4.2 — Electoral Support	\$159,430
Total Vote 4 — Office of the Chief Electoral Officer	\$448,235

Legislative Assembly Total	\$17,175,887
----------------------------	--------------

MR. MANDEVILLE: Mr. Chairman, if you desire a motion that the vote be reported, I so move.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again:

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding the following for the departments and purposes indicated:

Department of Housing and Public Works: \$2,275,300 for departmental support services, \$1,074,100 for the operation and maintenance of water lines, \$123,927,800 for planning and acquisition of accommodation, \$252,325,440 for planning and implementation of construction projects, \$71,601,500 for policy development and financial assistance for housing, \$70,568,000 for housing for Albertans, \$26,900,000 for mortgage assistance.

Legislative Assembly: \$8,574,471 for support to the Legislative Assembly, \$7,530,862 for the office of the Auditor General, \$622,319 for the office of the Ombudsman, \$448,235 for the office of the Chief Electoral Officer.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, on Friday I indicated to members that second readings would be scheduled for this evening. Although there are a few minutes left, just in case some members who are not present now had intended to be present for second readings, I think we should stay with that schedule rather than move to them now.

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

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

**Bill 1**  
**The Provincial Court**  
**Amendment Act, 1981**

MR. LOUGHEED: Mr. Speaker, I move Bill No. 1, The Provincial Court Amendment Act, 1981, standing in my name on the Order Paper. This is truly an administrative matter. Part 4 of The Provincial Court Act deals with small claims matters. Service of documents and proof of service are covered by sections 43 to 46. Service of documents upon corporations for small claims procedures should be the same as service in other cases where corporations are involved, such as in The Companies Act. That's the purpose of this amendment.

[Motion carried; Bill 1 read a second time.]

**Bill 3**  
**The Livestock Diseases**  
**Amendment Act, 1981**

MR. HYLAND: Mr. Speaker, I'd like to move second reading of Bill No. 3, The Livestock Diseases Amendment Act, 1981. The main purpose of this Bill is to put in an appeal committee for those who have their licence refused or suspended under the livestock medicine regulations. At present there is no appeal committee. With this Bill, we'll put that committee in and enable these people to appeal upon the suspension or removal of their licences.

[Motion carried; Bill 3 read a second time]

**Bill 6**  
**The Attorney General Statutes**  
**Amendment Act, 1981**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 6, The Attorney General Statutes Amendment Act, 1981. As is typical of a Bill which contains a number of amendments to a number of Acts, relatively minor proposals are involved, nevertheless they are of importance and have primarily two objectives.

In The Notaries Public Act and The Commissioners for Oaths Act, for the first time the change is introduced that members of Parliament and members of the Senate who are resident in Alberta at the time of their appointment, and retain that residence, are automatically commissioners for oaths and notaries public pursuant to our

legislation, which is the same as for members of the Legislative Assembly. That is an intentional courtesy extended to those elected people from this province, and that is the sole purpose of that change.

The other change, which covers several statutes, relates primarily to the jurisdiction of the Master in Chambers, and makes it more flexible in the sense of the ability of a Master to deal with routine applications without having them heard directly by a judge sitting in court. Those are procedural or uncontentious types of applications under The Possessory Liens Act, The Execution Creditors Act, and The Motor Vehicle Administration Act.

[Motion carried; Bill 6 read a second time]

**Bill 14**  
**The Interprovincial Subpoena Act**

MR. KOWALSK.I: Mr. Speaker, I move second reading of Bill No. 14, The Interprovincial Subpoena Act. This Bill is aimed at a problem which has existed for some time. Currently there is a great deal of difficulty in securing the attendance of witnesses in civil suits from outside a province. This Bill allows the Court of Queen's Bench of Alberta to adopt, as an order of the court, a subpoena issued from a court outside Alberta if certain conditions are met. The Act makes it clear that the Court of Queen's Bench shall not adopt a subpoena unless the immunity provision contained in our Section 6 is part of the Act of the issuing province.

The teeth of the Act are found in Section 4, which provides that if the person fails to attend he may be found in contempt of court. The Act also provides that a party to a proceeding in Alberta can use the same process to obtain witnesses from provinces with the same legislation.

[Motion carried; Bill 14 read a second time]

**Bill 18**  
**The Alberta Property Tax Reduction**  
**Amendment Act, 1981**

MR. WOO: Mr. Speaker, I move second reading of Bill 18, The Alberta Property Tax Reduction Amendment Act, 1981. The purpose of this Bill is to secure to widows and widowers aged 60 to 64 those benefits with respect to a home-owner refund or a senior citizen renters' assistance grant. Under the terms of this Bill, the younger spouse may apply for the benefits their deceased spouse was eligible for at time of death.

[Motion carried; Bill 18 read a second time]

**Bill 24**  
**The Motion Picture Development Act**

[Adjourned debate April 10: Mr. Stevens]

MR. STEVENS: Mr. Speaker, when the Minister of Economic Development introduced Bill 24, The Motion Picture Development Act, on April 10, he noted how this exciting concept could stimulate a needed Alberta industry; his consultation with and the advice he had received from the Alberta Motion Picture Industries Association; the balance this would provide with live theatre and the performing arts; the spin-off to tourism and the trades, crafts, and service industries; and the contribution this

industry could make to help develop an awareness about Alberta throughout the world. Then of course we had the Member for Edmonton Kingsway, who gave the Assembly an eloquent contribution, concluding with "there's no business like show business." What an act to follow.

I would like to add my support and encouragement for Bill 24. Specifically I would like to share with hon. members the support of the constituents of Banff-Cochrane for a concept that has been so ably developed by my colleague. The beautiful grandeur of the Rockies, Lake Louise, Banff, the Bow corridor, and Kananaskis Country, the foothills of Alberta, is obvious. For years foreign film makers have gone on location here: *River of No Return, Saskatchewan* — made in Banff — *Little Big Man, Kelly, The Wilderness Family*, and so on. Countless other foreign films have been made in this area of our province. I even remember one day in Banff a group of Japanese film makers filming scenes here and there. I found out later that the picture was about a Japanese airliner that had force landed near Banff. What a pilot that must have been. On a trip to Mexico I saw another film on the beauty of our Alberta.

Bill 24 offers an opportunity for Alberta film makers, script writers, set designers, actors, sound technicians, musicians, and many others to bloom year-round. Last year, film production amounted to \$80 million in Quebec and a similar amount in Ontario. In British Columbia the same industry provides \$55 million worth of production. For Alberta's film and television industry, Bill 24 provides access to a \$3 million development fund for forgivable loans for preproduction costs.

I know the minister shares the concerns of many Albertans that the proposed board of directors will be careful to encourage our industry, that there will be no token Alberta films. Federal tax shelters offer many kinds of opportunities for foreign investment in film making in Canada, but all too often the foreign producers hire Canadian fronts for their films, with the income redirected out of Canada. We can avoid this in Alberta under the object of this Bill, Section 3: "the development of the motion picture industry in Alberta". That's show business.

MR. R. CLARK: Mr. Speaker, I really make my five comments regarding Bill No. 24, The Motion Picture Development Act, in the form of questions to the minister, which perhaps he can answer when he concludes debate or perhaps in committee. Very directly, the first one deals with proclamation. I notice that the Bill will come into effect on proclamation. When does the government in fact intend to set up the corporation? It's one thing to have the legislation in place, but is it the government's intention to proclaim the Bill and establish the corporation soon after this session is over, assuming this session is going to wind up reasonably quickly?

Second, is the minister in a position to indicate what the expected annual operating expenses for the corporation are likely to be, and do we in fact expect that that annual operating expense will come out of the \$3 million, or will that be borne by the General Revenue Fund? Third, this Bill represents a rather significant intervention by the government into a private-sector field, for reasons the minister outlined earlier. But from my own philosophical point of view, I would appreciate some indication from the minister if in fact the Department of Economic Development is looking at any other segments of activity at this time, which may lend themselves to legislation like this, this fall or next year. In other words, do we expect

to have intervention such as this in other areas of activity that the minister's department is looking at?

Fourth, in light of the \$3 million, what commitments has the government gotten from the industry to date? Fifth, what studies has the minister undertaken to assure us that the film industry will be self-supporting after 1989, which I believe is the year when the special loan assistance program is completed? If the minister could respond to those five questions, Mr. Speaker, we'd find them very helpful in debating the Bill.

MR. GOGO: Mr. Speaker, in speaking to second reading of Bill 24, first of all I'd like to commend the Minister of Economic Development for taking an exciting and innovative step in Alberta with regard to The Motion Picture Development Act. Several questions have been raised. I'd just like to address my comments to sections of the Bill.

First, Mr. Speaker, my understanding is that there's a total appropriation of \$3 million in the Act. My understanding was that this would be primarily seed money or encouragement money to get people involved in the motion picture industry. My further understanding was that by no stretch of the imagination does the Alberta government intend to be in the motion picture business. For that reason I'm pleased to see, under Section 10(3), that the total guarantee out of that \$3 million to any film entrepreneur would be no more than 60 per cent or 6 of every 10 cents spent up to the production stage. I'm comforted to see that.

Mr. Speaker, along with the Minister of Advanced Education and Manpower and the Minister of Economic Development, I recently had the honor [inaudible] the University of Lethbridge. Now that phase two is complete, it's very exciting in terms of dramatic arts. It particularly lends itself to film making. I hope we as a government, in carrying out the terms and making this Act workable in the province of Alberta, would encourage the sort of training that would go along with providing for our young people adequate training to be involved in the mechanics of that film making, at the postsecondary institution level, particularly at the University of Lethbridge.

I'm encouraged and excited by Bill 24, Mr. Speaker, and would certainly encourage members to support it.

MR. ZAOZIRNY: Mr. Speaker, on second reading of Bill 24, I'd simply like to address one question to the minister. Given the involvement in the motion picture industry that this Bill contemplates, I'd appreciate being advised as to what extent the government will be encouraging the use of Alberta workers in the motion picture industry, ranging from equipment suppliers to cameramen, set designers and builders. Given that a number of related service industries are trying to establish themselves in this province, the advice of the minister with respect to any encouragement the government may intend to provide in that respect would be most appreciated by this member.

MR. PLANCHE: Mr. Speaker, I'd like to comment briefly on the questions that have been asked, if that's appropriate.

MR. SPEAKER: It's most appropriate. I think that although the motion for second reading was introduced by another minister, I believe that under the circumstances the speech of this minister will close the debate. Does the

Assembly agree that the hon. minister may conclude the debate?

HON. MEMBERS: Agreed.

MR. PLANCHE: Mr. Speaker, just to correct that, I introduced the motion the last time readings were up. The debate was concluded by the Member for Banff-Cochrane.

MR. SPEAKER: I wasn't aware of that. I thought the hon. minister was speaking on behalf of the mover of the motion.

MR. PLANCHE: Mr. Speaker, I'd just like to conclude the debate today with a few comments, if I may. First, to the Member for Olds-Didsbury, it would be our intention to have the corporation in place shortly after proclamation. The annual expenses contemplated — it's a very small staff. It would be the operating budget of a staff of maybe three, and it would be intended that that would come out of general revenue on a vote each year, and not taken from the fund as such.

I'm not sure I understand the question about intervention in other areas of activity. We didn't see this as an intervention; we saw this as catalytic. It's well for the member to remember that we will only respond to the reception the concept receives from the private sector, and follow that through on a co-funding up to preproduction. At the time the thing is sold, we intend to recover our costs on a prorated basis plus a 15 per cent override, hopefully to perpetuate the fund without a continuing government involvement. It won't be our intention to follow in equity in any way after preproduction, certainly not into the movie business at all.

Commitments from the film industry were generally very enthusiastic. We consulted everybody we could find who was associated with the Alberta industry. The questions were spearheaded through the Alberta Motion Picture Industries Association. They were well aware of the development of the concept before it was presented to the Assembly and are enthusiastic about it. The studies to indicate that the film industry will be self-supporting: we put a sunset on this, Mr. Speaker, because after all it is a forecast incentive, if you will, and we didn't know exactly where it would go, in terms of whether the \$3 million would be enough, whether it would be self-supporting by that time, or whether our successors may want to reassess the value of it.

Our judgment is that with some small encouragement, the industry could be fourfold in a very short time. The thing that appealed to me the most is that it gives a balanced employment opportunity to all the tradespeople now involved in live theatre — I'm talking about the technicians, stage people, make-up people, costumers, and all those — who ought now to have an opportunity to balance their income, and thereby sustain a level of earnings that they can stay in that general area of activity year-round.

To [the Member for] Lethbridge West, we visited the University of Lethbridge, two weeks ago I think, talked to the faculty involved down there, and explained what the concept meant. We would certainly see a very long and serious involvement with their new performing arts sector. We look enthusiastically on this whole thing as an industry that Lethbridge will be involved in and proud of.

The question from Calgary Forest Lawn, in terms of what Alberta workers would be involved: we're not trying

to set rules that would preclude the industry from growing. So it would be a balance that could be changed over time, subject to the input from an advisory board which would hopefully include people from the University of Lethbridge, the crafts presently involved, and others associated, who will set the standards that will cause us to respond in funding. But those wouldn't be engraved in stone. When you get into these incentives, the first thing you start doing is building up reasons why we shouldn't do it. We went in to do it and we will do it, understanding that you have to balance the maximization of Canadian and Albertan talent with the potential of commerce in the film industry. We'll be very cognizant of your remarks and watch for those carefully.

Mr. Speaker, I'd like to conclude by thanking everyone who participated in the debate.

MR. R. CLARK: I wonder if I might pose a question. The minister made reference to the proclamation, and indicated that the board would be in place shortly after proclamation. The thrust of the question I posed was: is it the government's intention to proclaim the Bill shortly after the session is over, as opposed to letting it sit for a period of four, five, six, or eight months, and then proclaiming the Bill?

MR. PLANCHE: Mr. Speaker, I see no reason to let it sit, providing the Assembly's enthusiastic about it. We've certainly done all the consulting we can do on the issue. It's had a high enough profile so that all those involved could participate in the input. If it's agreeable to the Assembly, we intend to pass it this spring.

[Motion carried; Bill 24 read a second time]

#### Bill 7

#### The Family and Community Support Services Act

MR. BOGLE: Mr. Speaker, on behalf of the hon. Member for Red Deer, I would like to move second reading of Bill No. 7, The Family and Community Support Services Act.

At the outset, I would like to table with the Assembly proposed regulations for The Family and Community Support Services Act. The main purposes of the Bill will change the name of the former preventive social services program to the new name of family and community support services program, to better reflect the commitment that we as a government are making to the family in a supportive way within the community. The principles will allow for decentralization of decision-making from the provincial government to the municipal level. The funding will be provided on a quarterly basis in advances, whereas under the old Preventive Social Services Act, funding was provided on a deficit basis and after the fact.

The program is intended to be extended or made available to all Albertans, including treaty Indians living on reserves. That would be done, on the request of the band, by ministerial agreement with and through the federal Minister of Indian Affairs and Northern Development. Next, there will be flexibility within the program to allow special recognition for areas of high growth, as well as areas of sparse population. In all cases, the funding would be based on the existing formula, which is used under preventive social services, of up to 80 per cent provincial funding and 20 per cent local or municipal funding. I might mention, Mr. Speaker, that a portion or

all of the programming funding at the municipal level may be, as a result of contributions by voluntary organizations within the community.

A merging of the preventive social services unit and the parent resource unit of the department, to ensure that some staff members are located in the various regions of the province and provide assistance on a consulting basis. Finally, in both the legislation and the proposed regulations we've tried very hard to ensure that priority is given to voluntary, over municipally operated, projects.

MR. R. CLARK: Mr. Speaker, in reacting to Bill No. 7, I'd like to make three comments. Number one, I think it's fair to say that my colleagues and I view this as basically an updating and a renaming of the preventive social service legislation, which certainly my colleague from Little Bow, who isn't here this evening, could wax on most eloquently. Basically I think this has been a very successful program in this province, having regard for the fact, though, that it's work, in the family community support services area, is extremely difficult to measure. To a very great degree, the kind of work being done is preventive work. It's very, very difficult for this or any other minister to in fact stack up in a concrete manner the contribution this kind of program makes. Because one doesn't see buildings or roads, but in fact one has to talk in terms of what might have been, had we not had the commitment we've had from PSS and now will have, if I understand this legislation accurately, in the family and community support services area.

The second comment I want to make is that I think the advance payment to municipalities is a positive step forward, rather than having the municipalities redo the financing for the program, which I understand has been the case up till now.

Mr. Speaker, the third point I'd like to make to the minister really deals with representation I've received from what I would refer to as middle-sized municipalities, who have frankly expressed some fear that the funding which will flow to them under the existing regulations will not allow them to keep pace with the pretty rapid rate of inflation we now have. I would very much appreciate if the minister, either in the course of concluding second reading or during committee, would respond to that concern raised to my colleagues by some of the middle-sized municipalities who really feel that the formula will mean a drop in the level of funding they receive. The department has developed an adjustment formula to maintain levels of funding, but this will apparently not allow total inflation to be taken into consideration.

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

HON. MEMBERS: Agreed.

MR. BOGLE: Thank you, Mr. Speaker. I would be remiss, and I know my colleague the hon. Member for Red Deer would want it stated on the record, that this Act is indeed an update of the The Preventive Social Services Act, a very bold piece of legislation that was introduced some 14 years ago by the previous administration. Bold in that Alberta was the only province at that time to take that step. Now, some 14 years later, we are still the only province to have such a contractual arrangement with our municipalities whereby we provide much-needed financial assistance on an 80 per cent basis

so that municipalities may indeed provide services at their level.

It was never our intention as a government to do anything other than strengthen this concept. Through the review process, which generated something like 147 briefs from both participating communities and communities not in the program, we received a lot of very valuable information. The two most important points were to strengthen local decision-making and autonomy of the municipalities, and to strengthen the voluntary component in the program. In refining the legislation and the regulations — if hon. members will look very closely at both the legislation and the proposed regulations, you'll see a very striking parallel with the former Preventive Social Services Act and its regulations. We've tried to ensure that the principles I've outlined are enhanced in the new legislation and the regulations *per se*.

Of course the decision-making, in terms of who measures the programs, is one of the very important and fundamental principles in the new legislation. No longer will we in the province, either at the ministerial or the officials' level, be judging quality of programs at the local level. If the local mayor and council or reeve and council, whatever the case may be, choose to have an advisory board — and we certainly think that's advisable — that would be done at the local level. Our job will be to ensure that the very general parameters of the legislation and regulations are respected; i.e., we would not want to see funds designated for preventive social services types of programs channelled into a new sewage program for a community. We'll protect our interests through the auditing process, which is an after-the-fact kind of protection. But the actual measurement of the success of the program will rest solely and squarely on the shoulders of the local municipal councils.

I am concerned about the reference made to middle-sized municipalities. I want to assure my colleague that under the administration and planning division of the funding, we've worked very hard to ensure that no municipality will suffer under the new program. In fact we have some six municipalities that did have administrative expenses beyond what the current formula would allow. Currently we're suggesting that \$8.50 per capita for the first 5,000 population within a region, an extra \$1 per capita for the next 7,000, and 65 cents for population over 12,000 will ensure for the vast majority of municipalities participating in the program an enrichment of funds at the administration planning level.

For the six municipalities I've mentioned, and all, save one, are very small municipalities — the city of Medicine Hat had expenses in its administration planning area somewhat richer than its neighbors of the same size, but others were very small areas — we've grandfathered in their expenses, so that they will receive the same level of support during the 1981-82 fiscal year as they did in 1980-81. I presume the same will be true in 1982-83 until such time as the formula, which would be adjusted on a regular basis, meets the needs of those communities.

With regard to the programming funds for middle-sized communities, wherever possible and practical we think that communities should look at the possibility of joining with neighboring communities to provide a service on a global basis. That's an offer. Whether or not the municipalities wish to accept it rests entirely on their shoulders. There are economies of scale in doing so. If they choose to operate the programs individually, as some municipalities certainly have indicated during the past year, that's a right of those municipalities. I cannot

make any commitments for my successors, but I certainly can say it is my intent to ensure that this program continues to receive the high priority it has during my two years in this ministry.

[Motion carried; Bill 7 read a second time]

**Bill 9**  
**The Department of Education**  
**Amendment Act, 1981**

MR. KING: Mr. Speaker, I move that Bill No. 9, The Department of Education Act, 1981, be now read a second time. As I indicated at first reading, the purpose of the Bill is to provide for an increase in a statutory appropriation used by the school book branch to purchase prescribed and recommended textbooks at wholesale prices, which are then sold to school boards throughout the province at a 40 per cent discount.

[Motion carried; Bill 9 read a second time]

**Bill 17**  
**The Police Amendment Act, 1981**

MR. HARLE: Mr. Speaker, on behalf of the Member for Lac La Biche-McMurray, I move second reading of Bill No. 17, The Police Amendment Act, 1981.

A number of principles are included in this Bill, Mr. Speaker. The first is to solve a particular problem surrounding communities of 1,500 and just over, that have been unable to make an agreement with the federal government for the provision of RCMP services. It will allow the continuation of policing for those communities under the provincial contract. A second principle is to allow those urban communities that enter into an RCMP/municipal contract the option of establishing a municipal police commission. A number of municipalities that had established contracts felt there was no need to establish a commission. In my personal view, there is a need for a commission. Although they have the option, I think communities should take advantage of it and establish a police commission, so that there is a group of people in a community to whom the RCMP can turn when discussing police matters in the community.

Another amendment allows appointment of members of a municipal police force, other than the chief of police, by the chief, and allows the commission to delegate that authority to the chief of police. Many have argued that the actual appointment of municipal policemen should be done by the chief rather than the commission, as is presently provided for in the legislation. Another change provides that every member of a police force in an urban municipality shall be a Canadian citizen, or lawfully admitted to Canada for permanent residence. At the present time, that's only a requirement of urban municipalities in excess of 1,500 persons in respect of the chief of police only. The feeling is that all members of a police force should in fact be Canadian citizens or entitled to remain in Canada.

There is a problem for some small municipalities when matters that relate to service hearings or internal disciplinary investigations, are dealt with under The Police Act. Provision is made whereby the Solicitor General or the Director of Law Enforcement may appoint someone from another police force to carry on these duties. I think hon. members will realize that in a very small force, there is not someone of a sufficient level to carry out the investi-

gation. This will permit some flexibility.

The last item I'd like to refer to is that the Law Enforcement Appeal Board felt that some procedural problems had to be dealt with, where an offence may have been committed by a member of the police force who is the subject matter of a complaint. The amendments included in this Bill provide that when that happens, and the policeman has committed an offence and steps are taken that relate to that offence, a special process is involved so that the Law Enforcement Appeal Board is not dealing with the matter while the matter is dealt with by the courts.

[Motion carried; Bill 17 read a second time]

**Bill 19**  
**The Election Amendment Act, 1981**

MR. McCRAE: Mr. Speaker, on behalf of the hon. Member for Grande Prairie, who is unavoidably absent this evening, I'd like to move second reading of Bill No. 19, The Election Amendment Act, 1981.

There are two principles in the Bill, both resulting from the redraft of The Election Act, revised in 1980. Two errors, omissions, or clarifications were required from that redraft. The first was that the riding of the hon. member representing Strathcona was not listed as an urban riding. The way the Act is set up, there is a specified number of named urban ridings, and the rest are rural. So Mr. Koziak, who is well known for his knowledge of rural matters, was, I suppose, acting as a rural member and will until this correction is made. If this amendment goes through, he will henceforth be listed as an urban member representing Edmonton Strathcona, which in fact he is. Since I reside part-time in his riding, I can attest not only to his rural capacities but to his urban capabilities as a member.

The second amendment is intended to clarify that the four persons nominating a candidate for election should be from the electoral division in which the candidate is going to run. In the pre-1980 Act, the form which was attached to the Act and could only be changed by legislative concurrence, provided that the four nominators should be from the electoral division. When the Act was amended in 1980, the forms were taken from the Act and were no longer an attachment but are made by the Lieutenant Governor in Council or Executive Council by regulation, and hence could be amended from time to time. Hence the requirement of yore, that the four nominators be of the same electoral division, could have been changed by Executive Council rather than the Legislature. So the amendment is intended to clarify that the four nominators would in fact be required by legislation to be from the same electoral division as the person they were nominating.

[Motion carried; Bill 19 read a second time]

**Bill 25**  
**The County Amendment Act, 1981**

MRS. CRIPPS: Mr. Speaker, I believe the minister would like this Bill held until he's here and able to make some extra comments on it for second reading.

**Bill 26**  
**The Engineering, Geological and**  
**Geophysical Professions Act**

MR. CHAMBERS: Mr. Speaker, during this past year the Association of Professional Engineers, Geologists and Geophysicists of Alberta, otherwise known as APEGGA, and the Alberta Association of Architects have been working together. Their diligence and excellent co-operation resulted in the first joint memorandum of understanding between two such groups in this country. I'm sure this will stand as a landmark achievement, which similar professions in other provinces might well wish to emulate. The memorandum of understanding is incorporated in this Bill as well as in The Architects Act, 1980.

I'd like to highlight a few other parts of this Bill which are significant because they provide a better window into the profession for the public than existed previously. I'm referring to the establishment of a practice review board, which will be created, and the provision for appointment of members of the public to both the council of the association and the practice review board. It's the belief of the government that this proposed Act, with its improved provisions for protection of the public interest, will better serve the citizens of our province.

I'd like to express my appreciation to the Association of Professional Engineers, Geologists and Geophysicists of Alberta for their assistance in drafting this legislation. Therefore I move that Bill 26 be read a second time.

MRS. CHICHAK: Mr. Speaker, I just want to make a couple of remarks with respect to Bill 26. I think it is important to underline the understanding that has been reached between the associations under The Engineering, Geological and Geophysical Professions Act and the associations under The Architects Act, which will be brought forward this evening as well for second reading. These two associations ought to be congratulated for working out areas of concern and problems, which I think some few short months and years ago were indicated as not solvable.

It's perhaps necessary to draw to the attention of other professional associations with similar areas of service that they too might strive to accomplish a similar kind of joint working relationship and understanding of their jurisdictions as these two associations have worked out. I simply want to put on record that these two professional organizations should be congratulated. Hopefully, others will take some lessons in working in a mutual way in their respective spheres.

[Motion carried; Bill 26 read a second time]

**Bill 38**  
**The Architects Amendment Act, 1981**

MR. CHAMBERS: Mr. Speaker, the most significant change included in this Bill is the elimination by repeal of Section 3(3) of The Architects Act, 1980, which by joint agreement of the Architects Association and the Association of Professional Engineers, Geologists and Geophysicists of Alberta, will be replaced with reciprocal regulations which are subject to approval of the Lieutenant Governor in Council. Additional refinements have been made, which I could summarize as follows: firstly, minor changes to the joint use of seals; secondly, changes to make the regulation and by-law making powers of The Architects Amendment Act the same as in The Engineer-

ing, Geological and Geophysical Professions Act; thirdly, the right to prescribe membership fees; and fourthly, other minor changes to make The Architects Amendment Act consistent with The Engineering, Geological and Geophysical Professions Act and The Land Surveyors Act, both of which have been prepared since passing Bill 90 last fall.

Therefore, I move that Bill 38 be read a second time.

[Motion carried; Bill 38 read a second time]

**Bill 27**  
**The Pipeline Amendment Act, 1981**

MR. PAHL: Mr. Speaker, I move second reading of Bill 27, The Pipeline Amendment Act, 1981, standing in my name on the Order Paper. Since the Bill was first introduced on April 15, I note there have been three House amendments that simply act to avoid regulation over agricultural activities that would not come under the scope of the legislation in any event.

Mr. Speaker, the purpose of this Bill is to amend The Pipeline Act in order to improve public safety with respect to the operation of pipelines. The main features of Bill 27 are protection of pipelines from other construction activities, and provisions for upgrading the operational safety aspects of pipelines. A third feature of the amendment is to increase tenfold the fines for violation of the legislation.

[Motion carried; Bill 27 read a second time]

**Bill 28**  
**The Land Surveyors Act, 1981**

MRS. EMBURY: Mr. Speaker, I move second reading of Bill No. 28, The Land Surveyors Act, 1981. This Bill will replace the existing Land Surveyors Act.

This legislation was first enacted in 1910, and conferred self-governing powers on the profession of land surveying. At that time the profession was primarily concerned with surveys of new townships for settlement, surveys of new town sites, and surveys of railways, roadways, and other public works. With the many changes in our society since the early enactment, demands have been placed on the profession, particularly in the last two decades, to expand the knowledge and competence of its members into: related fields such as geodetic, topographic, and hydrographic surveying, and map making. Competence in these fields requires many years of academic training combined with practical experience.

I'm very pleased to say that the University of Calgary offers a degree program in surveying engineering which serves western Canada in this field, and that it is recognized as one of the best engineering schools on this continent. This Bill ensures that members entering the profession will have the training and experience necessary to competently serve the needs of the public in the field of surveying and mapping. It retains for the members of the profession their historic role of exclusive practice in the general field of surveying and mapping.

The Bill will establish a governing council, to be elected from members of the profession and to include one lay person for each 10 elected members of the council. The council is charged with managing the affairs of the profession. Additionally the Bill will establish a practice review board for the purpose of establishing and monitoring standards of practice by members, comprised of



members of the profession and including a lay person. A procedure is established for disciplining members who fail to meet these standards. Protection is provided to both the public and to members of the profession through mechanisms for court appeals from decisions of the discipline committee and of the council.

Mr. Speaker, I'd like to thank many members of the Land Surveyors Association who have assisted me with their patience, support, and interest. I must say at this time that there are land surveyors in the constituency of Calgary North West who have been very kind to me. I would like to beg the indulgence of the Assembly this evening to introduce four of the members of the Land Surveyors Association: Mr. Barry Bishop, Mr. Wally Youngs, Mr. Lou Breton, and Mr. Dick Bassil. I would like the gentlemen to please stand and receive the welcome of this Assembly.

MR. MANDEVILLE: Mr. Speaker, I would just like to ask two questions of the hon. Member for Calgary North West, who is piloting the Bill. One concern that's been brought to my attention is that the Land Surveyors Association could make regulations to prevent firms which are not controlled by registered surveyors to practise surveys. I'm thinking of some of the larger firms that have some surveyors who are not registered with the association, but somebody within the firm is responsible for the surveys and to see that there are no errors in any of the surveys done through the office. If this did happen, if such regulations were brought in, I wonder if we could have a shortage of surveyors in the province of Alberta as a result, and make us short of surveyors in some areas.

Another question I would like to ask, Mr. Speaker: could the hon. member assure us that anyone who wasn't registered with the Alberta Land Surveyors Association would be restricted from surveying in the province of Alberta even if they were qualified surveyors?

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

HON. MEMBERS: Agreed.

MRS. EMBURY: Thank you, Mr. Speaker. In replying to the member, I would like to say that I don't think the present legislation would restrict the shortage of surveyors. I realize there is some concern, but this is not affected by the legislation. This may possibly be dealt with through the association by the regulations. If any concerns are forthcoming, these should be directed to the association, and the presentation can be made with regard to their concerns.

The second question . . . I'm sorry, would the member please repeat the second question?

MR. MANDEVILLE: Mr. Speaker, could the mover of the motion assure the Assembly that qualified surveyors who are excluded from employment in Alberta by refusing to join the Association — would this be possible?

MRS. EMBURY: Mr. Speaker, I'd like to say that the Land Surveyors Association has been extremely diligent in monitoring the high standards we have in this province. I'm sure they would continue.

[Motion carried; Bill 28 read a second time]

## Bill 29

### The Water Resources Amendment Act, 1981

MR. BATIUK: Mr. Speaker, I move second reading of Bill 29, The Water Resources Amendment Act, 1981.

Several areas need amending in this Act. In Section 2, there is confusion at present whether the Act applies to all water, not only in the watercourses but also diffuse surface water. The result is that it is impossible to enforce prohibitions in the Act which involve surface or casual water. Consequently one landowner may construct a dam causing water to flood the neighboring property with the department having no recourse whatsoever. It's proposed to bring in definitions of water and ground water.

At present Section 5 attempts to indicate that all water is the property of the province. Due to the complex nature of the wording of this section, referring at length to the natural resources transfer agreement, the main thrust of this section tends to be obscured. Currently it is suggested that new licences issued in no way affect the riparian rights of adjoining rivers, streams, and lakes. It is proposed to delete this section and provide a new simplified section.

Section 7, to declare surface water rights to be subject of the Act: the current wording, allowing the minister to declare any surface water to "be water for the purposes of this Act", implies that those waters not declared may not be water for the purposes of this Act. It is proposed to repeal this. Section 25, permission to use water: the current section was intended to allow the department to grant permission for temporary diversion of water, which would not be licensed. The proposed change is to rewrite to deal with the above-mentioned problems.

DR. BUCK: John, did you learn this in Bulgaria or Italy?

[Motion carried; Bill 29 read a second time]

## Bill 35

### The Alberta Research Council Act

MR. MUSGREAVE: Mr. Speaker, I would like to move second reading of Bill 35, The Alberta Research Council Act. I would like to take this opportunity to thank two board members in particular, Dr. Bowman of AO STRA, and Mr. Pike, who reviewed the research council Act going back to 1921 and the several amendments that have been made to it since that time. I would also like to take this opportunity to thank members of the department of economic affairs of the Hon. Hugh Planche for their work with Dr. Cloutier and Mrs. Hollands in preparing this Act.

[Motion carried; Bill 35 read a second time]

## Bill 36

### The Provincial Court Judges Act

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 36, The Provincial Court Judges Act. There are no large, new principles in the Bill as presented, but there are two important factors. I would like to mention that this is the first time in legislation relative to the appointment of Provincial Court judges that the clear capacity to appoint supernumerary judges has been included. This is an important feature. The use of supernumerary judges as members of the court will increase the flexibility and capacity of the existing judges to carry

what is now an extensive workload on the part of all the judges of that court. I've indicated earlier that that particular court carries by far the majority of cases heard in the courts of the province, many of them now vastly more important than people once imagined in respect of the Provincial Court.

The other very important feature is that for the first time since the passing of The Provincial Court Act, a thorough review of the principles of legislation appointing members of the provincial bench was undertaken with the chief judge, a number of other members of the court, and representatives of the provincial court judges' association. As a result of that, and their suggestion that for the greatest clarity possible in respect of the important matter of the independence of the judiciary and the independence of the entire bench, a separate Act would be appropriate rather than including all the matters relating to judges' qualifications, jurisdiction, remuneration — the structure and so on of the courts still being kept under The Provincial Court Act, but matters relating to judges should be brought into separate legislation. The government found this principle quite acceptable, and therefore was in agreement with the proposal that an Act might be brought forward, limiting its scope to judges of the court as distinct from the structure of the court.

Those are the important aspects of it, Mr. Speaker.

MR. GOGO: Mr. Speaker, speaking to Bill 36, The Provincial Court Judges Act, I would like to make a few comments. First of all, I think it's very appropriate in 1981 that we have a judges' Act in the province of Alberta, rather than operating under The Provincial Court Act.

With regard to the principles of the Bill, I suppose that some of them are really matters that have long been standard practice. For example, no one other than a Canadian citizen may be appointed a judge in our provincial court system. I'm a little intrigued. I had understood, for example, that Queen's Bench judges served until a retirement age of 75. I note that in the Bill it's age 70. I'm sure the implication is not that our judges don't survive to the ripe old age of judges of the Queen's Bench.

Mr. Speaker, I suppose the teeth of the judges' Act — and it's probably not a matter that we as politicians tend to deal with very often, certainly not by telephone. I see from the Bill that the Judicial Council is in effect the disciplining arm, and I note the appointment of that council under Section 9(e). In addition to the Chief Justice of the province and the Chief Justice of the Court of Queen's Bench, two other people are appointed by the Attorney General. In closing debate, perhaps the hon. Attorney General could mention that these in fact could be lay people of the province. I'm pleased to see, Mr. Speaker, although I don't know that it has ever been done, that people are appointed as judges in this province without the condition of being a lawyer in the province.

One matter in the Act that I find very comforting, because I sense that when The Court of Queen's Bench Act was dealt with, the question of residence was a concern: I'm pleased to see within this Bill that the Attorney General will have jurisdiction as to where a provincial court judge will maintain his residence. I think that's particularly comforting to members of the Assembly from the rural areas.

With regard to some other matters that would impact on this Act, Mr. Speaker, I've sensed and read, and have heard from various people, that perhaps the sentencing practices of judges in Alberta are not in accordance with

what some people would like to see. I note recently in the constituency I represent, that the chairman of the police commission made comments relative to sentencing. There seems to be a general feeling throughout certain parts of the province, with regard to the law enforcement arm on the one side and the administration of justice on the other, that one doesn't seem to reflect the aspirations or perhaps even the objectives of the other. One often wonders as to really what purpose there is in setting down punishments under statute when some great degree of latitude appears to be taken, perhaps on the liberal side, with the imposing of those sentences.

I've had a matter brought to my attention recently which prompts me to perhaps pose it in the form of a question, although I suppose it could come at committee stage, and that is with regard to jurisdiction. I understand that in many cases in the province a matter that is addressed to the Court of Queen's Bench is not concluded — in other words, a decision is not arrived at — then, for whatever reason, a person or plaintiff would take that to the Provincial Court, hoping for a decision. I understand there is some degree of uncertainty amongst both the law profession and, more importantly, judges of the Provincial Court, particularly within the family division of the Provincial Court, as to jurisdiction.

I guess I'm saying that some people have said to me, as the MLA for Lethbridge West, that under our legal system some people have the best of both worlds. They take a matter to one court — for example, the Court of Queen's Bench — and while it's in mid-stream, although no decision has been reached, have turned around and taken it to the Provincial Court. Some judges within the Provincial Court system have said that they have no jurisdiction; others have indeed not only said they had jurisdiction but have dealt with it. Perhaps in closing the debate the hon. Attorney General would care to respond to those matters. I certainly endorse the principles of the province of Alberta having its own judges' Act at this time.

Thank you.

MR. LITTLE: Mr. Chairman, Section 16(1)(d)(v) provides that the Lieutenant Governor in Council may make regulations concerning pension benefits for judges, spouses, and survivors. Would the minister enlarge on this section?

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, the matter raised by the hon. Member for Calgary McCall is brought forward from existing legislation. The Lieutenant Governor in Council has that jurisdiction at the present time. At present, judges of the Provincial Court are pensionable pursuant to the management pension plan of the province. So that aspect of it does not change, although it's necessary to carry that particular principle forward into this legislation.

The matters raised by the hon. Member for Lethbridge West: I won't comment on the question of sentencing, but I can give a little information on the matters raised with respect to the Judicial Council. I apologize for not being able to call to mind at once the names of the members of the general public who are appointed to that council, but for some years now a prominent Edmonton accountant

has been chairman of the Judicial Council and, as the Act indicates, at least one other person at the present time, who is not a member of the bench or the bar, is also on the council.

With regard to jurisdiction, the hon. member has entered upon a field of fair complexity. Maybe I could just briefly put it this way. Clearly our constitution provides that only a judge with a certain type of appointment can be appointed to a certain court and have jurisdiction to hear particular types of cases. This is the reference to what is generally called the Section 96 judge. Under that section of the British North America Act, you have the power vested in the Governor General in Council to appoint judges pursuant to that section. Matters those judges deal with are normally those that have traditionally been dealt with by what are called the superior courts, and they have to be appointed to those courts. In our province, those are the Court of Queen's Bench and the Alberta Court of Appeal.

The Provincial Court has the different role. It was originally primarily a criminal role, pursuant to the power the province has to carry out the administration of justice within the province. Because of that, provincially appointed judges normally conducted summary conviction hearings in criminal matters, preliminary inquiries in major criminal matters, and cases relative to provincial and municipal offences where they clearly had jurisdiction. The recent additions to the jurisdiction, which are not in this legislation but in The Provincial Court Act, have expanded over a period of decades. But the recent changes have been significant; for example, in the area of small debt. So there is a fairly distinct cleavage between the jurisdiction and the types of areas in respect to which federally appointed judges and judges of courts which are formed by the provinces may exercise their jurisdiction.

I think it would be rare, Mr. Speaker, for a matter to be moved with relative ease from the superior court to the Provincial Court, the reason being that if the superior court deals with the matter at all — and this is an offhand legal opinion — and has the jurisdiction which it normally would have, then nothing the provincially appointed judge could do would change it.

The hon. member briefly referred to the area of family law, a very complex one indeed. Perhaps I could just close in a brief reference to that by noting that that happens to be one of the areas where recent constitutional discussions have addressed the question of whether or not family law should be more involved in provincial jurisdiction or whether the traditional demarcation line of divorce, grounds, and so on, belongs solely to the federal jurisdiction and the enforcement of it through the federal courts, and other matters where the federal court does not deal with them in conjunction with the divorce proceeding, could be dealt with in the Provincial Court, in the character of alimony and maintenance.

[Motion carried; Bill 36 read a second time]

**Bill 40**  
**The Public Utilities Board**  
**Amendment Act, 1981**

MR. KNAAK: Mr. Speaker, I move second reading of Bill 40, The Public Utilities Board Amendment Act, 1981. The purpose of the Act is to amend The Public Utilities Act, whereby the definition of "public utilities" is to include intraprovincial telecommunications undertakings.

The purpose here is to fill a void in terms of the

province of Alberta exercising an area of constitutional jurisdiction which it has not in the past. In this void, the federal government has proposed to regulate, when we feel it does not have the jurisdiction. To eliminate the uncertainty, the legislation creates the possibility, even though it doesn't create the obligation, for the Alberta government to regulate those telecommunications undertakings and companies that are intraprovincial and within provincial jurisdiction.

[Motion carried; Bill 40 read a second time]

**Bill 41**  
**The Alberta Educational Communications**  
**Corporation Amendment Act, 1981**

MR. HORSMAN: Mr. Speaker, in proposing to deal with Bill 41, The Alberta Educational Communications Corporation Amendment Act, 1981, I want to take a few moments on the principles of the Bill and then comment if I may on the role of the Alberta Educational Communications Authority and the corporation. I want to refer to the organization as ACCESS. Although it's true that I normally do not appreciate the use of acronyms, in this case ACCESS has become a registered copyright, and therefore is another Alberta word which I'm sure is acceptable to most Albertans, as are the words NAIT and SAIT.

Mr. Speaker, I want to mention that by this legislation we are making amendments to the appointment of the directors, and to comment on the role of the directors of this corporation for a few moments. Eleven public members and four members of various government departments serve this corporation. In that respect, this is a rather unique corporation.

I want to comment on how well the private sector, represented by ordinary citizens throughout this province, has worked together with representatives of various government departments. That role of co-operation has been exemplary. We have been very fortunate indeed to have had the services of these volunteer Albertans serving this communications corporation. The present chairman is a distinguished dentist who happens to come from the constituency of Medicine Hat. It is very important to recognize that it is not a corporation centred in the city of Edmonton or Calgary, but the representation comes from the province at large.

It would also be appropriate to pay tribute to the previous chairman, the distinguished judge of the Court of Queen's Bench, Justice Michael O'Byrne, for his years of service to this communications corporation. I would like to add my congratulations and those of my colleague the Minister of Education who, together with me, has been acting as the authority under the Act.

I want to say that the purpose of making the amendments proposed in this legislation is to bring the terms and method of appointment of directors at large into conformity with other legislation in place in the postsecondary system so that we will have a similar method of dealing with appointments here as we have with regard with governors at the universities, colleges, and as proposed by the new Technical Institutes Act.

I want to move on, if I may, to the role of the president of the corporation. Mr. Speaker, you will note that in Section 5, "The Lieutenant Governor in Council shall appoint a person as President of the Corporation, who shall [serve as] the Chief Executive officer ...". It is important to note that this very important position of

president of ACCESS is to be appointed by Executive Council in a similar manner to those of other major government agencies and authorities. In other words, the government of this province attaches a great deal of importance to the role of the president in the development of policy, in co-operation of course with the board of directors. But we feel it is very important, to recognize the particular importance of this office, to have that appointment made in the manner prescribed in this amendment to the legislation.

Mr. Speaker, it is also important because of the important role being played by this authority with regard to educational communication within Alberta. There is a great opportunity for ACCESS to become involved in the development of new methods of telecommunications and the technology which will correspond to that development. I look forward to this development in the coming years. Certainly we do not want to detract in any way from the role of this corporation as an educational communications authority. That is not the intent of making any of these changes. But certainly we believe that ACCESS should be in the forefront in Canada in dealing with advances in telecommunications and technology. We look forward to the continued leadership demonstrated by the board of directors and by the current president, who has served this communications corporation exceedingly well over the past several years. We look forward to his continued imagination in approaching this challenging responsibility.

I do want to comment on amendments related to methods of dealing with rates of salary or wages and expenses, that type of thing, to make clear the role of the corporation and the responsibilities of the board of directors. I do want to draw the attention of the House to Section 11 of the Act, which will repeal Section 12, because it is of some significance. Section 12 makes reference to the corporation providing an annual report to two ministers: the Minister of Education and the Minister of Advanced Education and Manpower. Those two ministers' names will be removed from the Act and specific reference will be made in the new Act to the provincial authority.

If I can take a moment more, Mr. Speaker, I want to deal with the role of the provincial authority. As I mentioned, ACCESS has a board of directors. But under the legislation, and as required in other respects, there is an authority. That authority has been provided for under Section 2 of the current legislation, which provides that the "Lieutenant Governor in Council may designate any person or persons" to be the authority. It is known as the Alberta Educational Communications Authority. That distinguished body has been comprised of two persons: myself, as Minister of Advanced Education and Manpower, and my colleague the Minister of Education. It's somewhat akin to the ancient Greek mythological monster the two-headed Hydra.

DR. BUCK: Or tweedledee and tweedledum.

MR. HORSMAN: Or tweedledum and tweedledumber, if the hon. member wants to link it to his own political party. I want to assure the hon. Member for Clover Bar — I almost said Spirit River-Fairview, my apologies — that we'll look forward to his participation, if any, in the debate.

Before I conclude, I want to say that the amendment will recognize the fact that the authority no longer comprises just me and the hon. Minister of Education but, as

a recent order in council passed by Executive Council, we have added to our membership the distinguished hon. Associate Minister of Telephones. We look forward to his participation with us on the authority. In fact, we look forward to his assuming the chairmanship of the authority. In that way, the two departments which are major customers of ACCESS will not necessarily find themselves in conflict in any way, shape, or form in terms of the type of service the departments wish to obtain from ACCESS. Therefore we look forward to the role to be played by the Associate Minister of Telephones. That is the prime reason why any reference to the two particular ministries has been removed from this legislation.

Before concluding, Mr. Speaker, I want to welcome members to become familiar with the role of ACCESS. It is important in our province with respect to educational matters. Indeed it is important to other provinces as well, as we look forward to co-operation with them in the provision of educational broadcasting on radio, television, and other electronic means for the young people and those who are not so young but involved in this lifelong process of learning. I ask for the support of members of the House for second reading of this Bill.

[Motion carried; Bill 41 read a second time]

#### Bill 43

#### The Business Corporations Act

MR. KOZIAK: Mr. Speaker, I move second reading of Bill 43, The Business Corporations Act.

Mr. Speaker, the Bill updates corporate law in the province. We've been living with corporate law that takes us back to 1929. Much has happened in this field since then. Much has happened not only in England, the source of our corporate law, but also in the United States, where new developments have taken place. As a result, there have been substantial changes to corporate law at the federal level, with the Canada Business Corporations Act, and provinces such as Ontario, Manitoba, and Saskatchewan have all moved with new legislation. Bill 43 follows this movement and brings the province of Alberta into the field of the new corporate law. By doing so, with expected changes in other provinces, I presume we'll ultimately see one system of corporate law in the nation, with which all can be comfortable.

Perhaps the way I could best describe in one sentence what I feel this legislation does is that, more than the existing Companies Act, it protects the rights and interests of minority shareholders and creditors. I would like to take just a moment to elaborate on that. First of all with respect to creditors, one of the concepts of the existing corporate law is that a memorandum of association will set out the purposes of that incorporation, of that company. So if the incorporating shareholders want to restrict the business to shoe manufacturing, for example, then the objects of the incorporation will be shown as shoe manufacturing. Years later, should that company embark upon oil or natural gas exploration, this could be held to be *ultra vires* of the company, and creditors dealing with that company might find themselves in a position whereby they could not recover any claims they had against that company.

We are changing this concept to provide that a company will have all the powers of a natural person unless powers are excluded. Rather than the old concept of adding to the powers, if you want the corporation to do something less than what a natural person would do, you

must subtract from the powers. The concept that the creditors must be aware of such deletions from the powers a natural person would have is no longer carried forward, so that creditors can rely on the company having all the powers of a natural person when going about the operation of the corporate business of that particular company.

Mr. Speaker, minority shareholders have been enhanced in the Bill by providing the opportunity for a minority shareholder who objects to certain circumstances to have the corporation buy out his share at fair value. Those circumstances would be, perhaps, a sell-off of all the assets of the company, a fundamental change in the rules and operations of the company, or an amalgamation with another company. These would be examples under which the minority shareholder would have the right to require the corporation to purchase the interest of the minority shareholder at fair value.

There are a number of other principles and concepts in the Bill. I don't intend to deal with these at length. I've summarized them for the benefit of hon. members in a summary which was appended to the news release I issued on May 12, at the time the Bill was given first reading in this Assembly. I refer hon. members to that for a brief overview of the concepts that appear in Bill 43.

Mr. Speaker, I would also like to indicate that we are indeed very grateful to the Institute of Law Research and Reform for their very important contributions and efforts in bringing this Bill to this Assembly. I would like to single out particularly two members of that Institute, Mr. George Field and Mr. William Hurlburt, who have worked patiently with me over the past year. [some applause] Thank you. I'm certain *Hansard* will record the applause for the sterling effort of these two members of the institute.

Members will recall that last fall I introduced The Business Corporations Act. At that time the number given to it was Bill 85. I indicated then that it was our intention to have Bill 85 die on the Order Paper and provide an opportunity for input over the course of the winter before reintroduction this spring. That opportunity was given. Bill 85, introduced last fall, was widely distributed and given substantial consideration during the course of the midwinter meeting of the Canadian Bar Association here in Edmonton.

As a result of the review of the Bill, a number of minor and technical amendments have been made from the one introduced last fall. The only significant amendment that I would bring to the attention of hon. members is the change appearing in Part 18, dealing with the role of the Securities Commission. After the submissions we received, certain aspects of Part 18 were reconsidered, so as to exclude the role of the Securities Commission and the director of the Securities Commission with respect to those companies which are not distributing companies; in other words, with respect to those companies which are not distributing their securities to the general public. Under those circumstances, we felt it would not be proper to have the Securities Commission assume a role that it had heretofore not assumed; that is, in corporate matters in which there has not been a distribution of securities to the general public. With those brief remarks, I move second reading of Bill 43, The Business Corporations Act.

[Motion carried; Bill 43 read a second time]

#### Bill 44 The Securities Act, 1981

MR. KOZIAK: Mr. Speaker, in moving second reading of Bill 44, The Securities Act, 1981, I would again remind hon. members that Bill 76, The Securities Act, was introduced three years ago with the express purpose of giving the business and investment communities opportunity to consider the concepts contained in that Bill. As a result of the three years of study subsequent to its first introduction, certain changes have been made and are incorporated in Bill 44.

Here again the capital markets are such that it is useful to have uniformity wherever possible in securities legislation that affects raising of capital in this nation. Bill 44 in fact provides us with a substantial degree of uniformity with legislation in other provinces. I would describe the major purposes of the Bill as being fivefold, Mr. Speaker. First, it expands the disclosure requirements so that potential investors will be in a position to make reasoned investment decisions. We are attempting to provide the investor with as much relevant information as necessary so he can make a proper investment decision on the security he wishes to purchase. We have to remember that when we're dealing with securities, we're dealing with a piece of paper. It's not the same as a house or car, that can be visually inspected to determine whether or not it meets the consumer's needs. With respect to securities, what stands behind the paper is described by all the rights and conditions attached to that paper, the fiscal position of the company, and other important matters. The concept contained in Bill 44 is disclosure, so the investor can make a reasoned investment decision. Included in the disclosure concept is the requirement for timely disclosure with respect to material facts and changes.

I would like to highlight one change from Bill 76; that is, removal of the requirement to provide to the Securities Commission confidential disclosure of any material changes the company feels should not be publicly disclosed at that point. This would have created a burden on the Securities Commission that would afford no additional assistance to investors in the province. We concluded it would be better to place on the company itself the onus to make timely disclosure when that disclosure was required by the Act.

Further in this area is the creation of the summary statement, which will be a summary of the prospectus hopefully more easily read than the prospectus itself, provide the potential investor with the type of information he would be looking for, and advise the potential investor that a fully completed prospectus was available for further study at his request. Also under this concept of disclosure is the requirement that corporations attempting to buy back their own securities be required to issue a circular providing information to existing shareholders.

Secondly, a concept of secondary importance in the Bill is to enhance fairness in the market place. The main initiative is introduction of the concept whereby employees and insiders, recognized as such in the Act, will be civilly responsible to anyone who suffers a loss as a result of employees and insiders, special-relationship persons, either buying or selling as a result of information they had which others did not have. I might use an example which is current in the minds of hon. members, the acquisition by Petro-Canada of Petrofina. If an insider, a person holding a special relationship to Petrofina, was aware of the intended acquisition by Petro-Canada of

Petrofina shares and, on the basis of that knowledge which nobody else had, he purchased shares at substantially lower than what Petro-Canada ultimately purchased those shares at, that individual could be civilly liable for the profit he made to the person who sold those shares on the market. So that concept is to enhance fairness in the market place.

Third, introduce techniques whereby groups, especially small businesses, can more readily raise needed investment capital from the public. The Bill will provide for raising funds from what might be known as sophisticated investors; those who by their very nature, whether it be their experience or level of income or assets, need protection of the government and the commission less than others. In these cases it will not be necessary for a prospectus to be issued and will permit raising funds without the expense of issuing a prospectus. The Bill will also recognize self-regulatory organizations in training, auditing, and general standards of conduct. Finally, the fifth item, which I briefly touched upon during my opening comments: it will bring Alberta into the mainstream of securities legislation, while at the same time recognizing the special needs of Albertans in the province of Alberta.

Again, Mr. Speaker, I recommend that hon. members read the summary of The Securities Act, which I appended to my news release of May 12, which expands upon the concepts contained in the Bill and may take more time than we have for me to go into detail but will provide a good appreciation of the concepts found in Bill 44.

Finally, I've already mentioned the change between Bill 76 of three years ago and Bill 44, relative to timely disclosure. One other change I would like to bring to the attention of hon. members is that Bill 76 required a mandatory follow-up offer where a takeover of controlling interest had taken place, and we've eliminated that requirement. We feel that the requirement, which exists in Ontario legislation, creates some confusion, and that the concept to require a follow-up offer on a takeover bid would not be appropriate in Alberta circumstances. It would impose financing requirements, perhaps beyond the capability of the company or person making the takeover bid, and may in fact reduce the activity in this area to the detriment of investors in the market place.

With those brief comments, I urge hon. members to support second reading of Bill 44, The Securities Act, 1981.

[Motion carried, Bill 44 read a second time]

#### **Bill 45**

#### **The Societies Amendment Act, 1981**

MR. L. CLARK: Mr. Speaker, I'm pleased to move second reading of Bill No. 45, The Societies Amendment Act, 1981.

The main purpose of this Bill is to allow the corporate registrar to guard the interests of societies by assuring that a proposed name for a society does not conflict with an existing name. It also gives a proposed society the right to reserve a name for itself for a period of 90 days. It gives the registrar the right to change the name if for some reason he feels it is objectionable, or may lead to confusion or be misleading; similarly if it's similar to a name of a firm or another association. The amendments to The Societies Act reflect changes proposed for all government corporations, making rules for name selec-

tion and reservation for societies the same as for corporations under the proposed Business Corporations Act.

[Motion carried; Bill 45 read a second time]

#### **Bill 49**

#### **The Technical Institutes Act**

MR. HORSMAN: Mr. Speaker, that particular Bill has been requested to be held by the hon. Member for Spirit River-Fairview in his absence. Therefore I ask that it not be dealt with this evening.

#### **Bill 53**

#### **The Partnership Amendment Act, 1981**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 53, The Partnership Amendment Act, 1981.

The Partnership Act has, in a distinct part of it, certain provisions dealing with limited partnerships. The limited partnership is a form of partnership which includes one general partner and, usually, a number of limited partners. The reference to the status of those persons as limited partners refers to the fact that their obligations in respect to the partnership may be limited, as distinct from that of a general partner, whose obligations are general and the same as an unincorporated person.

The background, Mr. Speaker, is that that type of provision has been in our Act for considerably many years. What is proposed now, by way of amendment, is to introduce the principle that limited partnerships formed outside the jurisdiction might register within the Alberta jurisdiction without re-forming here. It is quite a straightforward proposition, and requires only that the legislation make that clear and provide for certain guidelines or instructions to the registrar as to how such limited partnerships formed outside the jurisdiction must be registered in order to conform with the necessary parts of The Partnership Act. Those are the principles of the proposed amendment.

[Motion carried; Bill 53 read a second time]

#### **Bill 52**

#### **The Banff Centre Amendment Act, 1981**

MRS. OSTERMAN: Mr. Speaker, I believe Bill 52 is being held pending discussion on Bills 50 and 51.

#### **head: GOVERNMENT MOTIONS (Committee of Supply)**

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order.

#### **Department of Federal and Intergovernmental Affairs**

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. JOHNSTON: Mr. Chairman, I might just take a couple of seconds to put before the committee a couple of thoughts and reasons for the request for resources in the fiscal year '81-82. I'm sure hon. members will remember

that last time I was here, approximately a year ago, I don't think any of us contemplated the scope of the constitutional question which was considered by the provincial governments over the period '80-81. I have accounted to the Assembly for most of the activities of the department through that period. I note that we are expecting a similar amount of activity on the constitution through the budget year ending March 31, 1982. For that reason we have again requested resources to carry out essentially that priority for our department. I note as well that the backdrop through 1981-82 will be the two key issues of constitution and energy. Obviously this will take much of the time, resources, and efforts of the people within our department.

As well, Mr. Chairman, I want to express my appreciation to the deputy minister and the officials in the Department of Federal and Intergovernmental Affairs who, I think, have excelled through this very difficult period. I believe the department itself has brought the profile of Alberta ahead in terms of the way other provinces conduct themselves in intergovernmental meetings. That clearly has been our objective, in particular to assist the Premier in the very important first ministers' conferences which must take much of his time. For that reason again I believe our thanks, and certainly my personal thanks to our staff and to my staff, are warranted.

I might note as well, Mr. Chairman, that we were assisted through the constitutional discussions in the summer of 1980 with the co-operation of many departments but in particular the co-operation of the Attorney General's Department. I think I would be remiss if I did not mention Mr. Henkel and his group who, I think, excelled in their service and devotion to the development of our constitutional position. As you all well know, both Mr. Henkel and Mr. Paisley have displayed their legal abilities in presenting and defending the Alberta case at three levels of courts of appeal provincially, and of course at the federal level as well. I think it's proper for me to note our thanks to them as well.

It's into 1981-82, Mr. Chairman and members of the Assembly, and through that period again, as I've indicated, the two major issues will be energy and the constitution. That is not to say we will not be involved in other forms of intergovernmental relations through the year, tense as it may be because of the shadow of these two important and prominent issues and the leadership role which Alberta must take in both of these. But we will continue with our other intergovernmental responsibilities. Of course those are varied and touch on most departments, wherein the department provides a co-ordination role and assists in assuring that a common policy is presented to all governments on behalf of the province of Alberta. That's essentially a co-ordination role.

Mr. Chairman, I once again request support for my estimates, which I am proposing to you. I look forward to any comments and questions on the detailed votes themselves.

Agreed to:

1.01 — Minister's Office

\$142,664

1.02 — Administrative Support	\$402,414
1.03 — Intergovernmental Affairs	\$1,424,627
1.04 — Alberta Offices	\$1,644,727
1.05 — Conferences and Missions	\$282,000
1.06 — Alaska Highway Gas Pipeline	\$383,807
Total Vote 1 — Intergovernmental	
Co-ordination and Research	\$4,280,239
Department Total	\$4,280,239

MR. JOHNSTON: Mr. Chairman, I move that the votes of Federal and Intergovernmental Affairs for the year ending March 31, 1982, be reported.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again.

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding the following for the department and purpose indicated: Department of Federal and Intergovernmental Affairs, \$4,280,239 for intergovernmental co-ordination and research.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, in the time designated for government business tomorrow afternoon, we propose to begin with Committee of Supply and consider the special warrants attached to the estimates. The House will not sit in the evening, for reasons well known to members — and we'll know the story of that in due course, the baseball game. For those who come back, the House will sit on Wednesday and look forward, I would say, if the special warrants are still to be considered and the Treasury Department; other than that, probably committee on Bills.

Mr. Speaker, I move that the House now adjourn until tomorrow afternoon at 2:30.

DR. BUCK: Mr. Speaker, just before you call the motion. For the hon. members of the Assembly who have a little difficulty reading my directions, just look for the large water tower in Fort Saskatchewan. That's where the ball game is.

[At 10:03 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

