

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 28, 1981 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF VISITORS**

MR. LEITCH: Mr. Speaker, today it's my honor and privilege to be able to introduce to you and to members of the Assembly four guests who are in your gallery, Dr. and Mrs. Vasquez and Dr. and Mrs. Bowman. Dr. Vasquez is the present president of INTEVEP, the national petroleum research institute of Venezuela. Of course as members of the Assembly know, Dr. Bowman is the chairman of the Alberta Oil Sands Technology and Research Authority.

Again as members of the Assembly would be aware, there are agreements between INTEVEP and AOSTRA dealing with research and development of new technologies in respect of the development of heavy oil and the oil sands. Mr. Speaker, I'm sure that as a result of the co-operative work between those two agencies, there will be a great mutual advantage to both Alberta and Venezuela. Dr. Vasquez is here to take part in a conference on advances in petroleum technology, and I'm told that the role he played in that conference was very significant and helpful.

Finally I'd simply like to express my personal appreciation of the visit of Dr. and Mrs. Vasquez because of the outstanding hospitality we were shown on a recent trip, when some colleagues and I spent a week in Venezuela and were very appreciative of the welcome and hospitality we received, particularly from Dr. Vasquez.

I now ask that they rise and receive the welcome of the Assembly.

head: **INTRODUCTION OF BILLS****Bill 58****The Alberta Energy Company
Amendment Act, 1981**

MR. ZAOZIRNY: Mr. Speaker, I beg leave to introduce a Bill, The Alberta Energy Company Amendment Act, 1981. The purpose of this Bill is to update the legislation establishing the Alberta Energy Company to ensure that the company has the legislative capacity to meet the needs of the 1980s, including specifically the ability to create an issue of preferred shares.

[Leave granted; Bill 58 read a first time]

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

[Motion carried]

head: **TABLING RETURNS AND REPORTS**

MR. CHAMBERS: Mr. Speaker, I'd like to table the annual report of the Department of Housing and Public Works for the fiscal year ended March 31, 1980.

MR. LEITCH: Mr. Speaker, I would like to table the response to Motion for a Return No. 130.

MR. HYNDMAN: Mr. Speaker, I'd like to table four copies of the response to Motion for a Return No. 137 concerning the successful Alberta petroleum exploration program.

MR. PLANCHE: Mr. Speaker, I'm pleased to table the first annual report of Alberta Economic Development for the year ended March 31, 1980.

MR. SHABEN: Mr. Speaker, I wish to table the annual report of the Department of Utilities and Telephones for the year ended March 31, 1980.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. LOUGHEED: Mr. Speaker, I'm pleased to introduce to you and to members of this Assembly the winner of this year's Premier's Award for excellence and dedication as a 4-H member. Of the 11,000 young people involved in 4-H in communities in all parts of Alberta, this young lady is to be commended for her dedication to the principles of 4-H: to learn by doing and, through this learning, the application of her head, heart, hands, and health to make her community a better place in which to live. For over 60 years the involvement and contribution of 4-H to rural life in Alberta has helped to create the quality of life in rural Alberta we cherish today.

Mr. Speaker, I ask that Miss Susan Kotovich rise and receive the recognition of this Assembly. I might say she's accompanied by her family, in fairly large number, as we can see.

MR. ADAIR: Mr. Speaker, it's my pleasure to introduce to you, and through you to the members of this Legislative Assembly, some 40 students from the Paul Rowe grade 7 class in a community that has a name quite familiar to the province of Alberta: Manning. The students are accompanied by Mrs. Pat Coxen, Mr. Kerry Coxen, and Mr. Art Atkinson. Would they please rise and receive the welcome of this Assembly.

DR. McCRIMMON: Mr. Speaker, it's my privilege today to introduce to you, and through you to the members of the Assembly, 39 students from Mecca Glen school, located about 10 miles east of Ponoka. They are seated in the members gallery, accompanied by their group leader Mr. Garth Olsen, also by Mrs. Massing, a teacher, and Mrs. Jarrett, their bus driver. I'd ask that they rise and receive the warm welcome of the House.

MR. COOK: Mr. Speaker, this afternoon it's a real pleasure for me to introduce to you, and through you to members of the Assembly, some 70 students from St. Cecilia school in my constituency, Edmonton Glengarry. They're accompanied by three teachers, Mr. Del Fabbro, Mr. Wasylycia, and Mr. Grelli.

I'd like to note that they're in grade 9 and now studying the Alberta government in the social studies curriculum.

They've gone on a tour of the building and are here to see the Assembly in action. I'd ask them to rise and receive the warm welcome of the Assembly.

head: ORAL QUESTION PERIOD

Rapid Transit

MR. R. SPEAKER: Mr. Speaker, my first question is to the Minister of Transportation with regard to the LRT feasibility study in Calgary. Could the minister clarify a matter which seems to be a misunderstanding between the mayor of Calgary and the minister with regard to the decision regarding further provincial funding for the LRT in Calgary within six months? Is that an accurate figure or not?

MR. KROEGER: Mr. Speaker, first of all, we're not doing a feasibility study. When I met with Mayor Klein, I suggested to him that we could set up a working group consisting of two people from each of Calgary and Edmonton, and one from the Department of Transportation. As part of their duties, these people would monitor the Calgary system. They would be able to assess LRT operations in other cities or out of the country. They would be able to respond to either the cities or the Department of Transportation with any information they might gather during the work they do. It really does not have anything to do specifically with changing the funding pattern. We were trying to deal with an information objective. I've made it very clear to the mayors of both Edmonton and Calgary that, as far as the department is concerned, our funding is set for 1981. Any consideration beyond that would not be a departmental decision; it would be a government decision.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. The minister indicated a working group in general. Has the minister selected the six individuals to sit on that working group committee?

MR. KROEGER: Mr. Speaker, the two from Edmonton will be selected by either the mayor or council, and the same would apply for Calgary. We have selected two people from the department to act for us.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Will the studies already done by the city of Calgary with regard to feasibility of LRT — and it was my interpretation they were looking at feasibility — be one of the matters under consideration? As well, what weight will be given to the findings of the committee? Are they advisory or will they be adhered to by the minister as a more formal, authoritative body?

MR. KROEGER: Mr. Speaker, the terms of reference will probably be drawn next week. It will be information that we're looking for. We're not necessarily asking for recommendations from the group. They'll be available to the three jurisdictions during the time of their work. Because the committee has not been set up totally, to my knowledge, we have not developed terms of reference and therefore couldn't deal with a reporting procedure until we get all that cleared up.

I think the information we're looking for would differ slightly from the feasibility study referred to by the Leader of the Opposition, in that one of the things we'll

be trying to do is assess the performance of a new line. So a feasibility study in the past would not give us the kind of information we're looking for now, given the fact that the system has just started to operate and I think we want to see how it performs on site.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate what deadlines or targets have been established for the committee to report? Secondly, would the committee report prior to the 1982-83 fiscal year so that if funds are recommended the government could supply the same?

MR. KROEGER: Well, Mr. Speaker, because the committee has not been formally structured and terms of reference have not been drawn, we have not discussed a reporting procedure. I would certainly expect to talk on an ongoing basis with the two people representing the department, perhaps once every two or three weeks. But if there is to be a formal report from that working group and what form it will take have not been discussed as yet.

MR. ZAOZIRNY: A supplementary question, Mr. Speaker. Given the minister's statement that one function of the committee will be to assess the success or otherwise of the south leg of the Calgary LRT system, could the minister indicate what progress he has made in determining what criteria will be used to assess whether or not it's a success, or could he at least indicate how the committee will make that assessment? What criteria will be used to make such an assessment?

MR. KROEGER: Mr. Speaker, in addition to the working group I described, part of the discussion Mr. Hyndman and I had with the mayor was a suggestion to work with Advanced Education and Manpower, possibly assigning three or four people through STEP to actually ride the LRT system, doing an assessment in that way. This is a very informal thing, nevertheless they could do counts and talk to people as to why they were on the system, why they liked it. They could probably identify people who weren't using it, to find out why they weren't — this sort of thing. That's a very unstructured and informal kind of thing, in addition to the work the group of six will do.

If the question is what we are looking for, that's a valid point. Because nothing has really been formally structured, the kinds of information that will be useful to us have not been identified. What we do know is that we need to know, first of all, how people respond to the system. I guess there'll be a reflection from the kind of work the city itself will be doing. I'm sure they'll be interested in how the system performs. Of course one yardstick will be comparing it to Edmonton, where we now identify a ridership of about 15 per cent of capacity. We would be worried if the Calgary system were to come in below that.

MR. R. SPEAKER: Mr. Speaker, a final supplementary for clarification. Under the present ground rules, any further financing for LRT in Edmonton or Calgary will not proceed until it's recommended by this committee being established by the minister?

MR. KROEGER: Mr. Speaker, in the case of the Edmonton system, a two-year trial period was formally prescribed. In the case of the Calgary system, I wrote a letter last September to then Mayor Alger, suggesting the

same formula be used in Calgary, although it wasn't part of the firm prescription. But it was a useful route to go as far as we were concerned. In answer to an earlier question, I said we haven't prescribed the exact ground rules for this group to work to, and they may not report with any recommendations. They will just supply information to us to use as we see fit, with the object of assisting both the cities and us to make the assessment.

MRS. EMBURY: A supplementary question, Mr. Speaker. Would the minister please confirm if it would be within the terms of reference of this committee to consider which of the second legs of the LRT would be appropriate, the northeast or the northwest part of the system?

MR. KROEGER: No, Mr. Speaker. We would not do that because that's an option of the city that falls in a similar category as to whether they should go underground or use surface transportation.

Research Facilities

MR. R. SPEAKER: Mr. Speaker, my second question is to the Minister of Housing and Public Works and is a follow-up to yesterday, when I asked questions with regard to the research facilities in the Edmonton area. The minister indicated there was going to be a meeting between the county of Strathcona and the department with regard to conditions of the building at Clover Bar. I wonder if the minister has had that meeting and could report at this time.

MR. CHAMBERS: Mr. Speaker, I'd be happy to respond to those questions yesterday of considerable detail. There is a lot of detail. Perhaps if I could just do it in the order I have it here, it would be appropriate.

First, I'd like to come back to the question asked by the Member for Olds-Didsbury with regard to the meeting with officials of the county of Strathcona regarding the engineering report. I think I answered that that meeting was scheduled for either May 26 or 27. In checking, it turned out that the meeting was scheduled to take place on May 26. However, officials of the county of Strathcona cancelled the meeting, for the reason that they wished to have a formalized agenda established before entering into such a meeting. At this point, the date of a future meeting has not yet actually been determined.

The second question by the Member for Olds-Didsbury was: "Is the minister in a position to table the consultant's report . . .?" Secondly, "Does the minister just offhand happen to recall who the consultants were, and how much the report cost?" Since I've indicated that the report has not yet been discussed with officials of the county of Strathcona — that was one of the objectives of the meeting. Therefore I don't think it would be appropriate to table the document at this time. I might say, though, that the report was prepared by Kasten Eadie Engineering Ltd., at a total cost of \$10,000.

Another question by the Leader of the Opposition was:

Could the minister indicate whether renovations are being completed on the 87th Avenue Research Council building adjacent to the university campus at the present time? Has the minister funds available for those renovations?

Of course, that data was available in my budget estimates. Yes, construction is under way for renovations to the 87th Avenue building. Construction work started late in 1980, and will be completed by the end of 1981. Funds

for this work are available through the normal budgeting process. No special warrant is required, if that was the inference.

A further question by the Member for Olds-Didsbury was:

... the total cost of the renovation at the 87th Avenue research centre, and secondly how many years the Research Council plans to be using that project. What future use has the government for the project after the Research Council moves to its new facility here in Edmonton?

The total budgeting cost of the renovation work to the 87th Avenue Research Council building is \$1,920,000, which appeared in my estimates. The length of the occupancy by the Research Council is projected to be somewhere between seven and 10 years. The question of the future use of this facility after it's vacated by the Research Council has not been decided because of the projected length of occupancy of this facility.

MR. R. SPEAKER: I appreciate the obliging manner in which we have gained that information.

Mr. Speaker, a supplementary question to the minister with regard to concerns about hazards that occur within research facilities such as this. I would like the minister to give assurance to the House that the minister has reviewed the plans with regard to the Devon coal research centre and the Edmonton research and industrial park, to assure himself, his department and, in turn, this Assembly that no situations will occur in those facilities which are hazardous to residents who may live in the vicinity or to employees who will work in those facilities.

MR. CHAMBERS: Mr. Speaker, those criteria are obviously an objective of government. At this point, with the preliminary nature of the design of the Devon facility, I obviously haven't seen the plans. I intend to review them at such time in the future as they are fully developed.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Has the minister established that as a written policy directive to officials in his department to ensure that that directive is carried out? What steps will the minister be taking if those are not established practices at present?

MR. CHAMBERS: Mr. Speaker, those are established practices. The department always looks at the safety criteria in any building project we do.

High Prairie School Division Inquiry

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Education. It concerns the announcement last Friday of an investigation into the operation of the High Prairie School Division. Is the minister in a position to outline to the Assembly why no formal consultation took place with the board members, including the chairman of the board, to discuss the complaints that led the government to the conclusion that an inquiry was necessary?

MR. KING: Because there had been informal consultation, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to

outline to the Assembly what the nature of that informal consultation was, and whether or not it included any discussion between the minister and the chairman of the board with respect to the specifics of the complaints that led the government to the conclusion that an inquiry was justified?

MR. KING: I had a discussion with the chairman of the board. It did not include a discussion of specifics.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. What was the nature of the informal discussion with the chairman of the board? In view of the precedent set here, is the minister in a position to advise the Assembly why there was no discussion with the board of the specifics of the complaint?

MR. KING: No precedent has been set here that I am aware of, Mr. Speaker. There was no discussion of specifics because in the context of the conversation it didn't appear that that was necessary. There was no request on the part of the chairman of the board for a discussion of specifics.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. After receiving complaints, did the minister consider that perhaps the complainants might be directed to the board in the first instance? In discussions with the chairman of the board, it's my understanding that the complainants did not come before the board. Would it not be a normal policy of the minister to request complainants to go to the board first of all to make representation and discuss their complaints formally at a board meeting?

MR. KING: That is the normal policy of my office, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Bearing in mind what the minister has just stated as the normal policy, why was that not followed in this case? Or in fact was it? Did the minister say to the people who complained to the minister about the operation of the board — was advice given by the minister in every instance that they should make representation to board meetings, which have opportunities in the normal course of the meeting for delegation and representation? Did the minister specifically request complainants to do that?

MR. KING: No I did not, Mr. Speaker, because there was evidence that they had already followed that course without any advice from my office.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The chairman of the board seems to be unaware that they followed this course, because they hadn't made representation. How many complaints did the minister receive, and what was the basis of the complaints that caused the minister to announce a very far-reaching and wide-ranging inquiry, which includes the scope of the instructional program, the process by which policy is established, the decision-making and administrative practices of the board, and the utilization of personnel? What were the nature of the complaints, and how many complaints did the minister receive?

MR. KING: I can't recall precisely how many communications I received, Mr. Speaker. I would like to make it clear that not all the communications I received were in the nature of complaints. Some were simply expressions of concern about various aspects of the delivery of educational services in that school division. So I wouldn't like to characterize all the communications to me as complaints. In light of the fact that an inquiry is established and under way pursuant to Section 10 of The Department of Education Act, I don't think any benefit would be served by my describing specific complaints to the House at this time.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Without getting into the specifics, my question really relates to the process. Bearing in mind the consideration the government should always be concerned about with respect to the autonomy of local boards, why did the minister, after receiving the complaints and before the announcement of an inquiry with far-reaching powers under the education Act, not take the opportunity to seek first a formal meeting with the board to discuss the reasons the minister felt an inquiry was necessary?

MR. KING: Mr. Speaker, as his question suggests, the hon. member is describing a procedure which we conventionally follow in the Department of Education. It is absolutely true that we did not follow precisely that practice in this particular situation. That was the result of a considered judgment which I made, having consideration for the facts as I knew them and having the benefit of communications with local MLAs, members of the school board, citizens of the community, and executive and management staff of the Alberta School Trustees' Association. I can only say that the decision was the result of a judgment I made in the situation to depart from the conventional practice of the office of the Minister of Education.

Grain Transportation

MR. MANDEVILLE: Mr. Speaker, my question to the hon. Minister of Agriculture is with regard to the recent large sale of Canadian wheat to Russia. Could the minister indicate whether he will be meeting with the federal Grain Transportation Authority or officials of the federal government with regard to seeing that we don't have any difficulties when we start moving that large sale of grain to the docks?

MR. SCHMIDT: Mr. Speaker, I think the indications of future problems that might exist in transportation, not only of the announcement of the special five-year sale and shipment on an annual base to Russia but also the transportation system itself as it pertains to agricultural products for the future — we have had that opportunity to voice some concern and will be doing so on an ongoing base, not only because of the announcement of the sale but because of future problems we see in the transportation system for this province, and indeed for western Canada, in moving agricultural products over the next five years.

I would say the answer is yes, but not specifically because of the announcement. It certainly will add to the concern that already exists.

MR. MANDEVILLE: A supplementary question to the hon. Minister of Economic Development. What steps will the minister be taking toward seeing we have a free flow when we start moving this grain? I'm thinking of meeting with federal officials with regard to twinning the rail lines, and other areas as far as improving the transportation system is concerned.

MR. PLANCHE: Mr. Speaker, as near as we can determine from this new agreement with the Soviet Union, the traditional pattern of freight will be about 25 per cent west and 75 per cent east. In fact from time to time we have shipped to that country more than the average 5 million tons a year projected for the next five years. The question still persists as to whether this is an additional load on what we had forecast.

In terms of what the province will do, of course the province can do very little. As the member may recall, Mr. Speaker, last year in addition to the energy presentation our Premier made, a \$2 billion unconditional grant was to be used to service and upgrade the railroad system. The specifics were left to the judgment of the prairie provinces and the federal government. That was summarily rejected. We've consistently and continually met with them, indicating that they can't have all the authority and not accept the responsibility to upgrade the system. It's clear to everyone involved that the system is rapidly approaching difficulty.

One factor that has to be addressed is that someone is going to have to stand up and accept the responsibility for compensatory rates for grain. It will be our purpose to continue pressing that issue. Hopefully we will have more formal presentations signed by my colleagues across the west in the middle of the summer.

The issue continues, and it's getting worse. It's generally accepted by everyone that by 1985 the projections for commodities out of the prairie regions will show a short-fall in the ability to deliver rail systems.

MR. MANDEVILLE: Mr. Speaker, a supplementary question to the hon. Minister of Economic Development. Could the minister indicate what progress has been made with the Prince Rupert terminal and when it will be completed? Will it be completed on time to handle this grain sale?

MR. PLANCHE: In terms of what the completion date will be and whether it can handle this grain sale, I can't answer. We expect the terminal will be on stream in the middle '80s. Aside from the National Harbours Board having to resite the terminal because of insufficient soil sampling, that delay, everything seems to be on schedule. It should be stressed again that this government had a great deal to do with that terminal in terms of both debt and grants. So from that perspective we were farseeing. The difficulty still persists between Red Pass Junction and Rupert, and that's a function of the CN's ability to service the debt from cash flow to four-track and upgrade that line.

MR. NOTLEY: Mr. Speaker, supplementary question. The minister raised the question of compensatory rates for grain. Is either the Minister of Economic Development or the Minister of Agriculture in a position to advise the Assembly whether the government has formally developed a position on this matter, or is there still a review between some measure of keeping the Crow rate and compensatory rates?

MR. PLANCHE: I'm going to refer also to my colleague the Minister of Agriculture, but we have spoken before in the House on that issue. As a government we have a policy that revolves around seeing that the Crow benefit stays with the agricultural community, and there are a variety of other caveats. But the answer isn't the province alone having a position. We have to have a position that encompasses the whole grain-growing areas and those provinces. I think we have made some significant progress in that area and, being a perennial optimist, I hope that sometime this summer we'll do better in terms of coming to a consensus we can present with unanimity to the federal government.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of Agriculture. In terms of developing the government's policy on the Crow benefit that the hon. Minister of Economic Development alluded to, has the government developed a formal position with respect to whether the Crow benefit will be paid to individual producers or to the railroads? While the minister has indicated in the past that this would be a statutory approach — statutes can be changed federally — has there been any consideration of the problems of the Crow benefit in terms of longevity over a period of time?

MR. SCHMIDT: Mr. Speaker, my colleague the Minister of Economic Development stated that we have arrived at a policy. That policy was announced in this House a year ago during the debate on the government's stand in regard to the Crow rate issue and during the estimates. Suffice to say again that we have agreed, as a policy over the period stated, that the benefit of the Crow rate should remain with the producer. At the time the province's preferred choice was that the differential be paid directly to the producer, recognizing, as my colleague has stated, that the position in regard to the payment as to whom and how has changed throughout not only producer groups throughout the province but differences of opinion in western Canada. Perhaps that's one area where some degree of flexibility may have to be shown to arrive at a consensus whereby the total transportation package may be upgraded. That happens to be in the area of who receives how much and whether it goes directly to the producer or to the railroad itself.

MR. NOTLEY: Mr. Speaker, supplementary question to the minister. Bearing in mind the position of the government of Saskatchewan on this matter, which is retention of the Crow, how open is the government of Alberta on the issue of the mechanics of the question? The minister has indicated that the government's preference would be that the money go to producers. However, as I recall, the Hall report recommended that it be paid directly to the railroad. Does the government consider that a serious option at this stage?

MR. SCHMIDT: Mr. Speaker, I think we as a government have stated, not only in the House but publicly, that recognizing the various stands taken by various commodity groups in regard to the issue, that may have to be one of the flexible aspects in achieving a total transportation package. As was stated, if we had a preference it should be paid directly to the producer. However, if that were the only negotiating stance to be taken to achieve a total transportation package, certainly government should have that flexibility.

MR. MANDEVILLE: A supplementary question to the hon. Minister of Agriculture. As a result of a legal rail strike going on at Revelstoke, what steps is the minister taking to see that we don't lose any sales of grain from Alberta as a result of not being able to load ships, and paying the demurrage at Vancouver at the present time?

MR. SCHMIDT: Mr. Speaker, labor strikes in British Columbia — it's difficult for the province to take any steps other than to review the routes for the shipment of grain from the province. I have no indication that we as producers within the province of Alberta are suffering any inconvenience because of the strike, recognizing of course that the movement of grain at present is limited other than some rape.

Public Institutions — Deficits

MR. R. CLARK: Mr. Speaker, I'd like to direct my question initially to the Minister of Advanced Education and Manpower, but it will touch two or three other departments because it deals with the practice the government follows in picking up deficits incurred by institutions that receive a major portion of their revenue from the province. I'd like to ask the Minister of Advanced Education and Manpower for the practice followed last year at the Northern Alberta Institute of Technology when in fact NAIT ran short of money from their budget because of the justifiable salary increases awarded to the staff at NAIT. How was that deficit picked up by the province?

MR. HORSMAN: Mr. Speaker, I'm not sure which fiscal year the hon. member is referring to. The just concluded fiscal year? I'd have to take that question as notice, Mr. Speaker.

MR. R. CLARK: Mr. Speaker, to the minister. Could the minister confirm for the Assembly that in fact one of the special warrants already dealt with by the Assembly was for the Department of Advanced Education and Manpower, dealing with making increased money available to NAIT as a result of the salary settlements?

MR. HORSMAN: Mr. Speaker, I don't have that material with me today. I'll take the question as notice.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. What is the practice within the Department of Advanced Education and Manpower for meeting deficits at the public colleges in the province?

MR. HORSMAN: Mr. Speaker, from time to time deficits have been run by public colleges. In those cases, we normally ask the college to budget appropriately in the next fiscal year to pick up or reduce the outstanding deficit. Some considerable detail would have to be researched as to the number of times that has happened, which I can perhaps find for the hon. member and get to him as soon as possible.

MR. R. CLARK: Mr. Speaker, another supplementary question to the hon. minister. What is the practice now for universities in Alberta that in fact end up with deficits at the end of their year of operation?

MR. HORSMAN: The same principle has applied. As a matter of fact, I don't think there are any universities in

the province with accumulated deficits. Of course there are institutions that have accumulated surpluses. If they have, we except the deficit in any given year to be set off against those accumulated surpluses. I think that is the situation in most cases. But once again, I'd have to check to clarify that matter.

MR. R. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Hospitals and Medical Care and ask him what practice that department follows for a hospital board which has its members appointed by the province. A good example might be the Calgary Foothills hospital. What is the practice for a deficit at that particular hospital? Is that deficit in fact picked up by the province in the next fiscal year?

MR. RUSSELL: For the past few years that has been the practice, Mr. Speaker. Usually it doesn't occur in the same fiscal year for the reason that they wait until the final audited statement is received from the board's auditors, which shows the exact amount of the accrued deficit. The special warrants which were passed yesterday show the government's response to those warrants.

MR. R. CLARK: Mr. Speaker, to the minister. Is the same practice followed for hospital boards that have elected members?

MR. RUSSELL: Yes, the practice is identical for all hospitals, Mr. Speaker.

MR. R. CLARK: One last area, and that would be to the Minister of Social Services and Community Health. What practice does the province follow when health units have a deficit at the end of their operation year?

MR. BOGLE: Mr. Speaker, if a deficit is a result of extremely high settlements and those settlements can be justified — as an example, the settlements of the United Nurses of Alberta during the past fiscal year, or other such bargaining units representing part of the staff in the health units — then of course the extra moneys would be forwarded to the health units, as was the case last year.

MR. R. CLARK: Mr. Speaker, is the minister in a position to indicate to the Assembly if during the minister's tenure in office any health units have been left with deficits?

MR. BOGLE: Mr. Speaker, I'd have to take that question as notice. I do not recall any special funding being forwarded to health units during the 1979-80 year. I would like to take the question as notice to ensure that I have an accurate answer for the hon. member.

MR. R. CLARK: In light of the minister going to check the matter out, and I appreciate that, I might make it very clear that I'm asking if in fact the minister would be able to check to see if any health units have been left with deficits during the minister's tenure in office.

MR. BOGLE: I want to make it very clear, Mr. Speaker, that if funds have been expended in an area that have not been approved, it certainly would not be my intent to recommend to my colleagues in Executive Council that the government should cover such expenditures. I do recall one such instance with a particular health unit. But I will certainly check on the broader question of operat-

ing expenses, which I believe was the thrust of the hon. member's question.

Emission Standards

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister responsible for Workers' Health, Safety and Compensation. Yesterday the Minister of Environment indicated that readings of 0.5 parts per million of vinyl chloride were detected 800 or 900 metres from the plant following the explosion at Dow Chemical plant. Is the minister in a position to advise the Assembly whether the department's officials have contacted Dow as to the reading within the plant after the explosion?

MR. DIACHUK: Mr. Speaker, as of about 2 o'clock this afternoon, the information was that the workers in the plant were not exposed to any dangerous level of polyvinyl chloride.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. What consideration is being given to lowering the level of worker exposure to vinyl chloride monomer to the American level of 1 part per million? My understanding is that we're looking at 5 parts per million in the province of Alberta. The normal standard set by the U.S. Occupational Safety and Health Administration is 1 part per million. What steps is the government of Alberta taking to reduce that exposure level?

MR. DIACHUK: Mr. Speaker, the supplementary question really is a general question that's not related to the incident, but I'd be pleased to advise the hon. member that, yes, my officials are co-operating with industry and other departments of this government to work out a standard that would be acceptable for both health purposes and the economics of the industry. We're also in consultation and communication with the same industries and the department of Labour in Ontario, and expect to be able to announce a standard here in Alberta that will be acceptable to all parties.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Now that the U.S. Occupational Safety and Health Administration is considering moving from the 1 part per million to the least detectable limits, will the government, in its review, be assessing the current standards of the U.S. Occupational Safety and Health Administration and the background data that is leading that particular administration to go one step beyond?

MR. DIACHUK: Mr. Speaker, at all times we take into consideration information that comes from the American authorities. From the information the hon. member indicated, I'm aware that this information is before my officials. Part of that is the consideration being given to a standard that, as I indicated, we hope to be able to announce sometime later this year.

MR. NOTLEY: Mr. Speaker, a final supplementary question to the minister. The minister has indicated that one of the factors would be the economic capacity of the companies. Will there be any formal discussion with the companies in this province, particularly Dow but others as well, comparing the standards here with the American standards, which are much lower but have been imposed

on older plants where the costs of bringing the standard down would be greater?

MR. DIACHUK: Mr. Speaker, the hon. member is concluding that the U.S. standards are being met. My understanding is that that is a standard the U.S. industries are asked to achieve. Because our plants in Alberta are newer, they are meeting a far safer standard and level than the U.S. plants are reaching presently.

Yes, Mr. Speaker, the economics are always considered. Unless the hon. member wishes to see unemployment, the economics of all industries have to be considered in a safe standard in this province and this country.

MR. SPEAKER: The hon. Minister of Labour would like to deal further with a point which previously came up in the question period.

Suncor Plant

MR. YOUNG: Thank you, Mr. Speaker. Last week the hon. Member for Spirit River-Fairview asked a question in connection with an alleged explosion in a transformer at Suncor and asked what reports the Department of Labour might have. On checking, the department does not have a report because there was in fact no explosion.

As my colleague the Minister responsible for Workers' Health, Safety and Compensation reported this week, there was thought to have been an arc in the transformer, which caused some gasification. The pressure from that appears to have placed a bearing in a position that allowed a very minute amount of gas to escape. The transformer was taken out of service at that point, and there was no hazard in terms of electrical problem or burn, and no spill of liquid. So there was nothing significant to report. The excitation transformer had been in service for 15 years.

Mr. Speaker, for hon. members to appreciate, arcing can be likened to, and is often referred to in terminology as, a burp in the transformer. It's very similar to a burp in a human except — in both cases they're involuntary, I understand — the one occurs much more quickly and the gas build-up is much faster.

Grain Transportation (continued)

MR. R. CLARK: Mr. Speaker, after that supplementary information, I'd like to direct a question to the Minister of Economic Development. It flows from the comment the minister made in response to my colleague from Bow Valley concerning the amount of freight that could be moved primarily on the main line between Calgary and Vancouver. What's the policy position of the Alberta government concerning when decisions must be made and construction must start, so that in fact we won't have car rationing? What are the time lines?

MR. PLANCHE: Mr. Speaker, again these are only forecasts, but we think it's important that the Beaver Tunnel and the 11 miles of surface on either side of it on the CP begin this fall, and sometime next summer for the four-tracking on the CN, in order to avert what we see as the crossover in the supply/demand curve in early '85.

MR. R. CLARK: A supplementary question to the minister. Having regard for the projections which the province has in place, will this mean rationing of grain cars, be

they Alberta cars, Saskatchewan cars, Wheat Board cars, and the other 80 per cent of volume that is on trackage?

MR. PLANCHE: Mr. Speaker, that's a hypothetical question, but I'd like to answer it. It would be our best judgment that the things that compensate the railroads least would be the last ones hauled. That's why we're sorely concerned about the future ability to ship agricultural products. That's also why we're concentrating right now on looking for alternative modes to take coal out of the province. If you can't control one part of it, we have to try to control another. But our judgment would be that agricultural products would suffer first.

ORDERS OF THE DAY

MR. SPEAKER: May the hon. Member for Edmonton Whitemud revert to Presenting Reports by Standing and Select Committees?

HON. MEMBERS: Agreed.

head: **PRESENTING REPORTS BY STANDING AND SELECT COMMITTEES**

MR. KNAAK: Thank you, Mr. Speaker. As chairman of the private Bills committee, I'd like to report that the committee has had certain Bills under consideration and recommends that Bill Pr. 6, The Eau Claire Trust Company Act, and Bill Pr. 12, The Burns Memorial Trust Amendment Act, 1981, be proceeded with, and that Bill Pr. 1, The Katherine Jean Jackson Adoption Act, and Bill Pr. 5, The Calgary Research and Development Authority Act, be proceeded with, with some amendments.

head: **MOTIONS FOR RETURNS**

MR. HORSMAN: Mr. Speaker, I move that motions for returns 135 and 137 stand and retain their places on the Order Paper.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

218. Moved by Mr. Notley:

Be it resolved that this Assembly urge the government to proceed to establish by way of statute and regulation, and under the jurisdiction of a single government department, a comprehensive policy governing the generation, use, transportation, storage, and disposal of hazardous materials in the province of Alberta.

MR. NOTLEY: Mr. Speaker, in moving this motion, perhaps it might be useful to look just for a moment at some of the problems we've had over the last four years with accidents involving the transportation of hazardous materials. On April 19, 1977, 12,000 gallons of gasoline spilled from a tank car following a three-car derailment in the Clover Bar yards in Edmonton. November 24, 1977, about 16 kilometres north of Suffield, a propane tanker

explodes and burns after 19 cars are derailed, fortunately with no injuries. December 11, 1977, at Wildwood: four motorists in hospital after inhaling chlorine from a tank car ruptured during derailment near this community, 120 kilometres west of Edmonton.

March 17, 1978, Crossfield: two propane-loaded tank cars derailed near the community north of Calgary, no leaks reported. On April 20, 1978, a large area near Breton was cordoned off while 25,000 gallons of liquid propane leaked from one of five derailed tank cars. There was no fire and, fortunately, no injuries. July 20, 1978: an 11-car derailment near Blairmore, including a methanol tank car, fortunately no leakage. On September 11, 600 people flee five derailed and leaking tank cars carrying 130,000 gallons of butane less than 1 kilometre from Stirling, Alberta; again, fortunately no injuries, but a massive evacuation of the people in the area. September 19, 1978, a runaway butane tank car in Edmonton rams and derails three propane tankers north of 101st Avenue and east of 17th Street; no leaks and no injuries. And on it goes, Mr. Speaker. We could cite other examples.

The point I want to make in citing those examples — perhaps we'll just very quickly conclude: October 18, 1980, Hughenden, truck and train collide near propane loading station; three engines and 21 rail cars derailed, fire-threatened tank cars on the railway siding. November 14, 1980, Edmonton: chlorine gas leak during loading operation; three taken to hospital for observation. May 21, 1981, an Edmonton tanker truck crashes with a train, spills 34,000 litres of gasoline and diesel fuel; fire threatens 25 tank cars on the train, four full of vinyl acetate and . . . [inaudible].

Mr. Speaker, I cited just some examples to illustrate that virtually every day of the year, thousands of Alberta residents are exposed to the danger of the movement of hazardous goods in this province. During question period, when this matter was raised by both the official opposition and me, the government responded by saying that Bill C-18 has now been passed by the federal Parliament, regulations are in the process of being developed under Bill C-18, and therefore it would be inappropriate for us in this province to rush into some kind of legislation.

Mr. Speaker, after reviewing Bill C-18, it seems to me that there certain deficiencies in Bill C-18 that must be addressed by this Legislature when we consider the resolution this afternoon. First of all, the question of truck inspection: regulations under the federal Act will cover container specifications for vehicles transporting hazardous goods, but they will not address the mechanical aspects of motor vehicles involved. This is, and will have to be, covered by independent provincial legislation. I think it's worth noting that according to the department of highways in their vehicle inspection test of 1980, 44 per cent of the trucks carrying hazardous goods checked by the department of highways were considered unroadworthy. The question of who has jurisdiction is very clear. It's not the federal government. Regulations under C-18 aren't going to do anything as far as truck inspection is concerned; that's provincial jurisdiction. Therefore it just isn't an answer to this resolution to say, well, C-18 is going to be brought into effect, therefore let's not rush.

Similarly, training drivers and the question of compensation in case of an accident: under C-18 there is no provision for any compensation for the victims of an accident. I think this is important, Mr. Speaker, because in the Mississauga example in Ontario, it was just a matter of a short time before the CPR was attempting to

get people to sign away their rights, as far as future claims were concerned, for instant payment. C-18 isn't going to deal with the compensation question, nor is it going to deal with the issue of damage to the environment.

B.C. has an Environmental Compensation Corporation and fund:

The Corporation is given the power to administer [the] fund to provide compensation to persons who incurred loss or damage as a direct result of a spill that causes or is likely to cause adverse effects or who has accrued such loss or damage as a direct result of the exercise of a governmental authority in cleaning up [the spill].

The corporation is given the assistance of inspectors who have a duty to make investigations in respect of spills of pollutants, in order to assist the corporation in assessing applications for payment. Mr. Speaker, that matter is not clearly dealt with in Bill C-18.

Finally, Bill C-18 does not establish safety standards and procedures respecting safe operation of any mode or any industrial activity. In other words, the legislation will not, for example, require adequate maintenance of railway lines, et cetera.

Mr. Speaker, for those reasons I say to hon. members this afternoon that members can argue the case as they choose, but I say to Albertans and to members of this Assembly that simply reciting the fact that there is a federal Bill, which was passed last summer, and regulations are now being negotiated, is not an answer to the time bomb that is awaiting us in this province with the day by day movement of very hazardous materials. I think we have to look at the dimension of the problem. Over 78,000 tons a year of hazardous wastes are generated in Alberta, 46,000 tons alone in the Edmonton area. There has been a 35 per cent increase in volume during the last five years.

The Environment Council of Alberta has proposed licensing of waste producers and a manifest system to track waste from the point of generation to disposal. That includes, in a very detailed way, the handling, labelling, vehicle types, routes, contingency plans, and treatment and disposal methods.

Mr. Speaker, I think we have to look at some of the government initiatives possible. Members will point out that under The Hazardous Chemicals Act, sections 4 and 9, the minister may establish a schedule of hazardous chemicals and a body of regulations to obtain information from any person who manufactures, uses, sells, transfers, or stores a hazardous chemical. However, the problem is that while the Act has been in existence since 1978, there is still no schedule of regulations. As a consequence the Act is not effective.

Dealing with the transportation element of this particular resolution, I mentioned that the 1980 truck inspection report of the department of highways indicated that 44 per cent of the trucks checked carrying hazardous commodities were listed as unroadworthy. I think the problems are fairly clear, Mr. Speaker. Again, to a very large extent they are problems that rest in provincial jurisdiction. There are no government regulations to ensure adequate driver training, vehicle design, vehicle inspection, emergency response procedures, or the carrying of safety equipment such as firefighting equipment, respirators, and absorbent materials to help contain spills. Another problem is that drivers are often unaware of the properties of the hazardous material they are carrying or the possible effects of an accident.

Hazardous transportation routes in this province have not been established. If we're going to talk about establishing hazardous materials transportation routes, we have to sit down with the cities. It's going to cost money. We can't expect the major cities, or any communities in the province of Alberta for that matter, to pick up these costs themselves. If we're going to talk about routes to transport hazardous materials, we have to talk about money, and that clearly involves the provincial government.

The Environment Council of Alberta has proposed licensing of waste hauling companies and vehicles, which would include standards for vehicle design, running equipment, emergency response equipment, trucks to be subject to semi-annual inspection, and drivers to include training in defensive driving, spill and accident avoidance, knowledge of basic waste types, equipment operation for emergency response procedures. While that seems like a tall order, we are dealing with a very important responsibility. When some of these accidents I just itemized a moment ago when I began my speech — had it not been for more good luck than good management, we could have had literally many scores of people killed or seriously injured. It's fine for members to say, well, there are economic costs; that's true. But I think one of the economic costs we have to bear in North American society at this stage is the safe — at least as safe as possible — transportation of hazardous goods.

Mr. Speaker, what are some of the initiatives the government could undertake? In my view the government could commit itself to establishing at the earliest possible date a comprehensive program of vehicle inspection and driver training for hazardous materials vehicles whose business originates in Alberta. Such a move would complement the federal legislation. Driver training and the inspection program could be jointly developed by the departments of Environment and Transportation. Such a move would assist industry in providing lead-in time.

I want to move for a moment from the transportation of hazardous commodities to mention storage. In examining the problems here — and there are problems in the storage of hazardous materials — we have little or no knowledge of safety precautions in place at storage and bulk station areas. There's infrequent testing of tanks and lines for leaks. Over the last couple of years we've seen examples of that, that one might mention. Many storage and transfer stations have no containment walls to stop the product from migrating in the event of a spill. Again, Mr. Speaker, the Environment Council of Alberta has proposed that an on- and off-site storage facility for waste be subject to the same standards; that is, secure storage with berms to contain total tank capacities, and that similar standards could be extended to storage areas for particularly dangerous goods.

What could the government do in order to follow up on the ECA proposal? Perhaps in co-operation with industry the Department of Environment could further develop standards for the storage of hazardous goods. If The Hazardous Chemicals Act is augmented by a schedule of hazardous products, the minister could obtain information from the companies about present storage facilities and safety programs in effect.

Mr. Speaker, moving from the storage of hazardous goods to treatment and disposal. Again, the problems with landfill sites: we really don't have secure landfill sites in Alberta. There's inadequate monitoring of ground water leaving the sites; no accurate records of what wastes are buried in the sites. One example we might look

at is Forest Lawn in Calgary. The site has an impermeable clay liner, but no detailed hydrogeologic survey has been completed. The best recording of waste systems is in this particular site — no question about that, in fairness. But the reporting is on an honor basis and limited to liquid wastes, the monitoring is inadequate to detect changes in ground water leaving the site, and there's no back-up collection system to collect contaminants.

The Environment Council of Alberta has recommended that all landfill sites discontinue receiving hazardous materials once the waste disposal facility is operative. What might the government consider doing? The government could commit itself to a comprehensive program of monitoring existing landfill sites and could determine which sites require a clean-up, that could proceed once a waste disposal facility is operative.

Moving from that matter to deal with the question of spills, I think one of the all too obvious problems is that we don't have a really effective system of reporting spills. Mr. Speaker, I suppose the best way to look at this is just to examine some of the disparity in figures. We have the Department of Environment telling us that there were 132 spills in 1979. The Edmonton police report indicated 279 accidents in which spills occurred. The Edmonton fire department concluded that there were 526 gas spills in the same year. I'm suggesting that at this stage we don't have any effective method of reporting on spills once they occur. Even the Minister of Environment has indicated that spills reported to the department are just a fraction of the spills that actually occur in this province.

The Environment Council of Alberta has recommended that there be compulsory reporting to Alberta Environment of any spills of hazardous materials in excess of 50 litres, and spills of any size for difficult to handle waste, such as PCBs. In addition to that particular proposal, I would just add that we should have a provision in The Department of the Environment Act that where hazardous materials have been spilled, the interested public should be advised. I don't believe it is correct procedure at all to keep people in the dark. If there is any lesson to be learned from the 1974 and 1978 spills in Grande Prairie, particularly the 1978 spill — we can debate these particular spills at some length — it is that once information is made available to the department, the department should advise people who are either directly or indirectly affected.

I remind hon. members that in a similar situation in the province of Saskatchewan, once a PCB spill had been uncovered and the department had not notified the city of Regina, the deputy minister apologized. We now have legislation, brought into effect in the last several weeks, that forces the government of Saskatchewan to advise the public who will be affected by a spill. So it's not just a question of the spill being reported to the government. That's certainly the place it has to start, Mr. Speaker. But in my judgment, in addition to reporting to the government, there is an obligation on the part of the government to make information available to the public on matters such as these.

Just briefly concluding my remarks so that other members will have an opportunity to participate in the debate, the fact is that we are now dealing with a large quantity of hazardous substances. Despite the fact that federal legislation is passed, there are serious deficiencies in that legislation. We have no way of knowing how long it will be before the federal regulations are in effect, especially if those regulations become once again part of the ongoing federal/provincial confrontation which exists

in this country. We have little reason to hope it will be soon, and it could be too late for some Albertans.

Because we have a problem which is more serious in Alberta than in other parts of the country — not all parts of the country, but certainly most parts of the country — it seems to me that we have an obligation to move. We've had a good deal of attention paid to this by the Environment Council of Alberta. We've had some recommendations made. Mr. Speaker, it seems to me that Alberta should take the lead within the area of provincial jurisdiction. For that reason I have placed the resolution on the Order Paper, and I look forward to the debate on it this afternoon.

MR. ZAOZIRNY: Mr. Speaker, I am pleased to have the opportunity to join in this debate on what I view as a very important motion put before this Assembly by the hon. Member for Spirit River-Fairview. While the hon. member and I are of a different political stripe, this is one of those rare occasions perhaps when I'm able to say that, having reviewed the motion carefully, I am in agreement with the principle embodied in it. One might take issue with some of the specifics of the motion as it's put forward, and I'd like to deal with those specifics a little later. But to the extent that the hon. member is suggesting to this Assembly — in fact, urging that the Assembly urge the government to ensure that we have a comprehensive policy in this province that's going to ensure the maximum degree of safety in the handling of hazardous materials — I don't think there's a member in the Assembly who would disagree with that in principle. [some applause] Certainly the hon. Member for Edmonton Kingsway doesn't disagree with it in principle.

At the outset I should declare something of a bias, if you will. My interest in this subject was stimulated in 1980, when, as the elected member for the constituency of Calgary Forest Lawn, it came to my attention that some 37 tons of PCBs, technically referred to as polychlorinated biphenyls, had been dumped some years ago in the Forest Lawn landfill site, which of course is dead-centre, if you'll excuse the pun, in the constituency I represent. At that time, early in 1980, it was also disclosed that some 6,000 tons of hazardous wastes are deposited annually in the Forest Lawn landfill site.

Hearing of the existence of PCBs in the Forest Lawn landfill site, I persuaded the then mayor of the city of Calgary to attend with me at an actual on-site inspection. I was quite dismayed with the results of that inspection, insofar as it disclosed the way some hazardous wastes were dealt with. They had dug a very large hole in the ground, separate and apart from where other garbage and refuse was disposed of, and into that hole they poured various types of liquids, from oil sludges to God knows what else. That's one technique by which they dealt with their hazardous wastes: they put it in a hole in the ground. As a result of that visitation at the landfill site, one official of the city of Calgary described the present waste-disposal techniques employed as in the horse and buggy era. There's little doubt that description is quite accurate.

While the city of Calgary has taken considerable initiative in attempting to monitor the disposal of hazardous wastes at the Forest Lawn landfill site, I was further dismayed by a more recent disclosure that a city committee was advised in a city commissioners' report that wastes that can't be safely disposed of at that site are turned over to the Department of Environment for storage. That's not what dismayed me. What dismayed

me was the fact that a representative, the head of the Environment Department's waste management branch, said the province will only recommend ways to dispose of hazardous wastes but that's as far as they go. In fact they aren't accepting them either, which leads one to ask what is happening with wastes that ought not end up in the Forest Lawn landfill site but have really no other place to be deposited, given the fact that the United States is no longer accepting any of our hazardous wastes.

I think it's appropriate to recognize the efforts of the city of Calgary in attempting to monitor disposal of hazardous wastes at the Forest Lawn landfill site. On other occasions, the Minister of Environment has advised this Assembly that the Department of Environment is involved to some extent in monitoring as well. However, I share the concern that what monitoring is occurring appears to be on less than a consistent basis. When the minister has the opportunity to review the debate on this subject in *Hansard*, I urge him to look seriously at establishing a far more rigorous monitoring system on the part of the Department of Environment at the earliest possible opportunity, because there's no question about the need for that kind of action now.

We presently have considerable legislation on the books dealing with this area, and the hon. Member for Spirit River-Fairview has outlined that quite comprehensively. He referred to The Public Health Act and The Hazardous Chemicals Act. But just to indicate the present inadequacy of some of that legislation: while The Public Health Act requires the obtaining of a licence by a municipal authority to deposit waste at a landfill site, it requires no special licensing with respect to hazardous wastes; it's simply not dealt with. So we have concern, which I think is buttressed by the recent experiences we have had in this province. As the hon. Member for Spirit River-Fairview pointed out, I think we've been extremely fortunate in that the number of accidents the province has seen occur within its borders has been fairly minimal, and we can't just hope our luck will last.

Additionally, I believe it's important to take cognizance of the significant efforts being made by this government to attempt to diversify and strengthen the economic base of this province: a most laudable object. However, while we're pursuing that most laudable object, we must be aware that the industry which will be growing — for example, the petrochemical industry — is undoubtedly going to create a tremendously higher volume of potentially hazardous wastes and materials than we've had to deal with in the past. According to information this member has been provided with, some 100,000 tons of hazardous wastes are generated annually at present, and that figure is certainly going to increase dramatically in years to come.

At the present time, clearly no comprehensive system or special facilities are in existence for disposal of these wastes. I could very quickly review the history of our research, if you will, as a government on this important subject. In 1972 the government received two reports from Associated Engineering Services Limited. At that time, that report called for centralized treatment and disposal facilities. But regrettably at that time, there appeared to be much less public concern, if you will, about the potential problems and no dramatic action, if you will, was taken at that time. Moving the clock ahead and by-passing some other events, in January 1980 the Minister of Environment received the report from the Hazardous Waste Management Committee which made a number of recommendations to the government, one of

which emphasized the need for an integrated waste treatment system and implored that we take a look at the best available technology, as demonstrated in Europe, and establish the same in this province to manage industrial and other special waste generated. The report went on to implore the government to play a leadership role in the management of industrial wastes through the development of comprehensive legislation.

As well we have the report of the Reid, Crowther group which gave us a very detailed analysis of the present volume of hazardous wastes being deposited in this province and outlined, sometimes with disappointment, the present disposal methods. There's no question that they are not adequate and, again, the Reid, Crowther report called for centralized and specialized facilities.

As a result or, I suppose one would say, contemporaneous with presentation of that report by the Hazardous Waste Management Committee, the Minister of Environment, in a press release of December 18, 1980, advised of the establishment of a hazardous wastes team which will have the siting of waste facilities as one of its most important tasks. At that time the minister indicated they would work with other departments — in particular, Transportation, Economic Development, Municipal Affairs, Social Services and Community Health, Labour, and Disaster Services — to come up with specific recommendations. I commend the government and the minister, because I believe there is a sincere intention to move in this important area. It's my understanding that the hazardous wastes team will make its utmost effort to report as quickly as possible to the minister.

I think we as members should not underestimate the very difficult decisions that will have to be made upon presentation of that report. Because the fact is that while citizens are concerned about disposal of hazardous wastes, I think it's fair to say there is a natural reticence to have the location of such facility or facilities in one's own backyard. Without wishing to bias the decision of the hazardous waste team, it would be my hope that the proposed location of hazardous waste facilities will not be immediately adjacent to populated areas. Because if that is the case, I think one can expect some very considerable public concern, and perhaps rightly so.

At this time, I would like to throw my support behind the need for some dramatic moves in this area. I do happen to believe that we should be moving quickly with what has been referred to as cradle-to-grave legislation dealing with waste management. Even if the report of the hazardous wastes team comes before the minister within the next six to 12 months, I think the fact remains that there is going to be perhaps a period of some five years before we have a central disposal facility in place in this province. Members of this Assembly must be concerned about what is going to happen during that interim period of some five years. I certainly don't believe it's appropriate that we forestall the introduction of comprehensive waste management legislation until that central facility or set of facilities is in place. We simply can't wait that long. As was outlined earlier, there are just too many gaps in existing legislation to allow us that luxury.

The type of waste management legislation proposed by this hon. member would include the licensing of haulers, and would look very specifically at the licensing and monitoring of landfill sites. As well in such legislation we should be looking at a manifest system for tracking the transportation of hazardous wastes. Another very important ingredient has to be sufficiently strong and substantial penalties for abuse and contravention, so that the

legislation will have some teeth in it. As legislators it does us very little good to adopt legislation that, while it has the right principles in it, can simply be ignored at will because the penalties are not sufficient to ensure that it will be followed.

The other point I'd like to deal with is the reference in the resolution to establishing such a statute, or regulation if you will, under the jurisdiction of a single government department. Back in October 1980 we had a similar resolution put forward by the hon. Member for Clover Bar, calling for the government to increase its commitment as far as this area is concerned. At that time I went on record as supporting the concept of consolidating the responsibility and the legislation in this area within one department. But I placed a caveat on it. I would like to reiterate that caveat this afternoon: simply to the extent that such is practicable. I'm advised that some 18 government departments or agencies are presently involved in the whole question of hazardous wastes. Frankly it just may not be feasible to bring all of this responsibility and jurisdiction under one department. But to the extent it is possible, it seems to me that the logical department is the Department of Environment.

I think the mere existence of 18 departments involved in this subject matter says two things. Number one, it speaks to its importance. But number two is perhaps an argument in favor of some consolidation. Because in such an important subject area, how can we possibly hope to move as dramatically and swiftly as we must, in this member's opinion, if we are trying to co-ordinate our activities amongst 18 departments? So I think the government's attempts to consolidate these activities within one department, to the extent that it is feasible, are very, very important.

Mr. Speaker, I simply conclude my remarks in much the same fashion I did speaking to this same subject back in October 1980. I made the comment that in this Assembly we as legislators speak a great deal about the preservation of our heritage, and properly so. But when we're speaking of the preservation of heritage, what more important heritage have we than the environmental heritage that we have the obligation and, in this province, the opportunity to pass on to our children?

Thank you very much.

MR. PURDY: Mr. Speaker, in rising to participate in the debate, I'd like to spend a couple of minutes this afternoon on the particular motion. I'm going to put my remarks around the handling of dangerous goods if you're in that type of accident on the highway, the railroads, or whatever the case may be. I believe that the remarks by the hon. Member for Spirit River-Fairview and the Member for Calgary Forest Lawn are timely.

As a member of a fire department west of Edmonton, I think I have some knowledge in the handling of emergencies. I didn't have that knowledge six weeks or two months ago, when we were fortunate to have the Edmonton fire commissioner's office, under the office of the Minister of Labour, instruct three fire departments in the county of Parkland on the handling of dangerous goods in various situations. The Department of Labour has adopted a manual, called Handling Dangerous Goods Emergencies. It was prepared by the county of Strathcona fire department, the Alberta fire prevention branch, Alberta Disaster Services, the Edmonton fire department, and the Grande Prairie fire department. The information in it is of a lot of value to the members of fire departments who may be called in to assist in some of the near

tragedies we've had.

We have found, and I can speak from experience, that many people were not adequately trained in situations where dangerous goods are being handled. We've had a number of events take place in this province over the last number of years where people just haven't known how to respond to that particular event. We can share with hon. members an incident of January 1979:

A tanker unit overturns entering the Imperial Oil Refinery in the County of Strathcona. Immediately, the incident was reported to the County of Strathcona Fire Department. A pumper was dispatched to the scene. The RCMP were notified and responded as well. The first Officer on the scene was [the] Chief Officer [of the Department]. The information he received was that a tanker had overturned, the tank was not [ruptured] and there were no leaks. The Chief then advised the Captain on the pumper to standby and to be prepared while the tanker was being righted. The RCMP was re-routing traffic at the same time. Noticing the anhydrous ammonia sign on the tank, all emergency personnel were notified of this. Only to find out later, that the tanker was loaded with butane. There was no visible placarding indicating that butane was carried in this tank . . .

This is another incident where improper identification of dangerous goods was so vital to the emergency personnel at the scene that particular day.

The province, along with the people I earlier outlined, then moved to adopt the United Nations classification system for dangerous goods. That's been adopted throughout Canada. There are literally tens of thousands of substances that fit the definition of dangerous goods. Furthermore, hundreds more are being introduced each year. It is obviously impractical and impossible for emergency response personnel to become familiar with the hazardous properties of each individual substance and the proper emergency response where these properties are involved.

The United Nations classification system came up with eight various classifications: explosives, compressed gases, flammable liquids, flammable solids, oxidizing substances, poisons, radio-activity, and corrosive materials. Each class has an identification of its own, which is supposed to be placed on the respective rail car, truck, or whatever is being used. With that, each has a classification within its own. If you look at explosives, there are four classifications: one that's an immediate problem, one that's not so immediate, and so on, and each placard should show that.

Members of the various fire departments who have completed the course have been issued this emergency response book. If our Wabamun fire department gets called to a highway or railroad accident and can immediately identify what that car has is in — say, it says "sulphuric acid". We look at the corresponding number in the book and can turn to the respective page which gives the member of the fire department the exact procedure to follow. There's a heading: potential hazards. If there's a fire or explosion, it will say [if] it can catch fire or not; what happens if you put water on it; do you put the water on with fog, a straight stream, or other things; what emergency action you should take for sulphuric acid, like keeping people away, keeping your own people upwind, isolating the area. It tells exactly what type of protective clothing you have to wear until the incident is cleaned up. It also goes so far to tell how to eliminate a leak or spill — should it be washed down with water or

pumped into another tanker — and another section on first aid. I think the booklet is very, very useful. I hope we never get called to an incident on that very busy highway west of here or on the rail line. But with the knowledge a number of our people now have, I'm very confident we can relate any incident in any dangerous material spilled and know the necessary action to be taken to correct that situation.

Mr. Speaker, this afternoon I thought I'd just speak on what the province has done to aid and assist fire departments and emergency response crews in those situations where dangerous goods are being handled.

Thank you.

DR. REID: Mr. Speaker, I'd like to rise today and speak to the motion presented by the hon. Member for Spirit River-Fairview. I'd like to thank him for bringing this matter before the House once more. It's been here before and is an ongoing concern to many of us. It's a particular concern to me because I represent a constituency with four medium-sized towns. Three of those four towns lie on a transcontinental railroad that carries many toxic chemicals, the transmountain pipeline runs through three of the towns, and we also have the same major highway mentioned by the hon. Member for Stony Plain.

As I said, I would like to thank the member for bringing this whole concern in front of the House. But on this occasion maybe he has broadened it out to the extent that the trees are almost lost in the wood. He's mentioned the generation, use, transportation, storage, and disposal not only of hazardous wastes but also of hazardous materials. In this province, Mr. Speaker, we do not just have wastes, although by my figures we have 90,000 tons of hazardous waste a year. I notice that's a bit more than the hon. Member for Spirit River-Fairview and a bit less than the hon. Member for Calgary Forest Lawn mentioned. Maybe the amounts are related to when the figures were obtained, as we have a rapidly growing chemical industry in this province and therefore a rapidly increasing amount of chemical waste.

[Mr. Purdy in the Chair]

For a moment I'd like to look at the problem other than just the waste products. As I said, in this province we have a rapidly growing chemical industry. But we also have an agricultural industry and other industries which use or produce hazardous chemicals. If we consider just a few, we have anhydrous ammonia, vinyl chloride, all the hydrocarbons and other inflammable materials, chlorine in liquid form, sodium chlorate, strong acids, strong alkalies, pesticides, herbicides, and many others. The ones I've specifically mentioned are manufactured, transported, stored, and used in this province in large quantity. The use of some disposes of them, and the use of others makes them even more dangerous by converting them into even more hazardous materials.

In the manufacturing process alone we cover several possibilities. Some of these toxic chemicals can be produced in apparently safe ways. One example is vinyl chloride, that's been brought up in this House on more than one occasion, including today. Vinyl chloride can be produced in a totally closed system. It is then theoretically possible to have no exposure and therefore a safe level set at zero. That's an idealistic situation, but it is possible. But what does one do when one wants to move the vinyl chloride elsewhere? Of course it is possible to polymerize it into polyvinyl chloride, which is a relatively safe sub-

stance from the standpoint of being a chemical hazard to the human being. It's possible to do that within the same closed system. But one then has the problem of trying to market that chemical in large quantity in one location. There are indeed reasons for moving vinyl chloride in liquid form by truck and train.

Sodium chlorate is another example of a chemical that varies vastly according to how it is handled and the state it is in. It's a very safe chemical when it's dissolved in water. As soon as it dries out, it becomes explosive with almost any hydrocarbon chemical, and we know how many of those are around our province. The manufacture of chlorine by electrolysis of sodium chloride, or common salt, can be extremely dangerous or extremely safe, depending on whose hands it is done in.

Having produced these chemicals with varying degrees of safety or danger, we then have the transportation. Again, some are very easy to transport and some very difficult. If some are leaked — and the polychlorinated biphenyls mentioned by the hon. Member for Calgary Forest Lawn are a classic example — there is probably no safe level. Storage again presents difficulties. Some are safe when stored by themselves but if stored beside others have the same difficulty of transporting, say, a car of butane next to a car of sodium chlorate. Each by itself is dangerous enough, but the combination is extremely hazardous. The same applies to storage and use of chemicals. We then have the difficulty that even apparently safe chemicals — and our homes are full of them now — produce extremely toxic gases if there is a fire.

But I think the main concern of the members of the Legislature and of the general public is indeed the disposal of hazardous wastes. Once more we may get into the problem of storage and safe transportation. When we get to hazardous wastes, we get to some extremely difficult problems. For instance, we have recently had the difficulty of finding that asbestos has been used in schools, libraries, public buildings, housing, and everything else. We're trying to get rid of the asbestos hazard, but what do we do with it when we get it out of the building? Asbestos is an extremely stable mineral.

In North America there's an incredible quantity of polychlorinated biphenyls, which until very recently have appeared to be such a problem. There are some 700 million pounds of PCBs in North America, and until recently it seemed the only way to get rid of them was to transport them to central disposal areas and to literally burn them. Of course the transportation brought up some extreme hazards to people. Only in the matter of the last few months has a chemical process been developed for breaking down polychlorinated biphenyls by a mobile plant. That will enable us to break down those chemicals on site and avoid the transportation hazards. Again this indicates rapidly changing technology.

I haven't been listing these difficulties just to use up time or to give a big list, but to indicate the all-pervasive nature of this problem in a highly complex modern society. It's a concern of many agencies and governments. The United Nations has had a hazardous materials classification for some years. In the U.S.A., the Environmental Protection Agency is also very busy. In Germany, which has a very large chemical industry and has had this problem for a considerable length of time, they've approached it from many different ways, and we could perhaps learn lessons from them. For instance, at Ebenhausen in Bavaria there is a centre for the disposal of chemicals. Bavaria is a much smaller state within the German federation than Alberta is a province within

Canada. It's about a tenth the size of Alberta, but has 11 million people and a large chemical industry. It therefore becomes economic to develop disposal techniques which are possibly not economic in Alberta. Indeed their system is owned partly by government, partly by municipalities, and partly by industry. Their system even does its own trucking.

In Canada we have a national dangerous goods Act, the Railway Act, and other Acts. We also have provincial Acts that look after it. But in spite of all these efforts and attempts to deal with the problem, we have not dealt with it very adequately so far. We have some 20 agencies and departments of government that are involved in this province, in addition to the federal ones. We have the problem that standards for transportation and disposal have to be reasonably uniform in a federation like Canada, and preferably of course should have some uniformity with American and offshore standards.

The answers are not easy, Mr. Speaker. Some answers have been put forward already. Indeed in the press release of December 18 last year, the Minister of Environment mentioned the moratorium on new disposal sites. At least we're not spreading the problem around the province any more. But I would like to put before the House some other answers that should be looked at. I think all new industries should have to function to the state of the art technologically. Possibly every five years, every industry handling dangerous goods should be reviewed to see if its processes can be updated to decrease exposures of the general public. As far as possible we should attempt to detoxify wastes on site. An example is the polychlorinated biphenyls I just mentioned, which now can be detoxified to avoid transportation risks. I would certainly recommend that all transportation of dangerous chemicals be done by specialists and not by the general trucking industry. These people would then be doing nothing else. They would have tremendous interest in doing it properly. They would be able to keep up to date on the hazards of the chemicals they were carrying. Certainly trucking from any regional collection centres for toxic chemicals to a central disposal site should only be done by specialists. I think the Germans have proven that in Bavaria. I would certainly encourage early development of central disposal facilities. But until then, toxic chemicals should only be stored in approved sites by approved agencies.

I do not feel that the proposal of the hon. member on this occasion is a sufficient answer to the problems. When one looks at all the agencies involved, to try to roll them into one department and one minister might cause us further difficulties. I doubt if he is suggesting, for instance, that the occupational health and safety controls for industrial exposure should be put under the Minister of Environment, or that truck inspection should be put under the Minister of Environment, or indeed that the Minister of Environment should be the person who negotiates with other provinces and the federal government. That alone would indicate that this is not an adequate answer.

Apart from that, Mr. Speaker, I certainly approve its being brought before the Legislature. I've been interested in the proposals and remarks by other members, and I would like to listen to those of subsequent speakers.

MR. R. CLARK: Mr. Speaker, in rising to make very few comments on the resolution before the House today, I suspect the hon. Member for Spirit River-Fairview finds himself in a somewhat unique position, where in fact members on virtually all sides of the House are agreeing

with the him. I'm very tempted — in fact I plan to only speak for about two or three minutes, so that when we're in such an agreeable mood in the Chamber this afternoon on a matter that's been before the House on several occasions, perhaps we can have a vote on the matter and have it dealt with.

I would like to make three points very, very quickly. Number one — and I've pursued this matter with the Minister of Environment earlier in question period. I notice the Minister of Labour is perhaps arranging the next speaker; I hope not. In 1972 the government was presented with a master plan by officials of the Department of Environment to handle hazardous wastes in Alberta. I think it's regrettable that that wasn't put in place. We now have the report of the ECA, and right at this time a task force of people in the Department of Environment is working on the matter. I would simply say it seems to me that we have studied the matter enough. There's no sense waiting for Ottawa or the federal government because there are specific responsibilities in the area of Alberta that we should move on, and we should move on them now. I found the comments by members on both sides of the House very much to the point, from the standpoint of let's get on with the job, let's protect the environment. We've got an opportunity to do that right now, while we're at a relatively young stage in the period of our development here in the province.

I urge the members of the Assembly to pass the resolution and then to urge the government to move with haste. Frankly it would be my very sincere hope that we would be able to deal with the legislation which would emanate from this resolution in the fall session.

MRS. EMBURY: Mr. Speaker, I'm very pleased to have the opportunity this afternoon to participate in this debate. Unfortunately, contrary to the Member for Olds-Didsbury, I feel it might just be a little too soon to pass this motion at this time. In view of the fact that I am pleased that it has come before us again, this is not a topic I have addressed myself to or spoken on before in the Assembly. But there's no doubt that no matter what part of Alberta you live in, this is a concern to all Albertans. It's been before us for a long time, and of course it will continue to be an ongoing concern. As I mentioned, it is not as pertinent to my area in Calgary as it probably is to the Member for Calgary Forest Lawn. But I suspect that many responsible citizens in my constituency, who either through seeing what happens on television when we have these incidents — and the Member for Spirit River-Fairview gave us a fairly good overview of many examples of situations we've had right in this province. Between that and knowing that since 1971 it's been one of the major thrusts of our government to diversify our economy, we're certainly going to find that situations can arise with this fine objective that are going to create more hazardous waste problems in our province. So, I would just like to say that basically I agree in principle with the idea presented today and concur with the Member for Calgary Forest Lawn when looking at some of the specifics we deal with.

One of the problems I have in regard to the comments made by the Member for Spirit River-Fairview is that this is possibly perceived — I may certainly have misinterpreted his remarks — as the answer to everything. There is certainly no doubt in any of our minds that someday there will be legislation regarding this topic. Many of the specific concerns have been identified today.

It was very interesting when he mentioned truck inspection. There are statistics to prove that a lot of vehicles on the road probably should not be there. But I guess my problem is, how much do we regulate people, and is it really the ultimate answer to everything? So I would basically like to debate this motion on the philosophical premise: does it mean we're going to have more and more people filling out more and more forms, and will that actually achieve what we want to achieve? I think the Member for Edson directed his comments specifically to the complexity of the topic before us, as did the Member for Stony Plain. It's very difficult to say that this is the exact answer.

In view of the time, Mr. Speaker, I beg leave to adjourn the debate.

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

Bill 213

An Act to Amend The Wills Act

MR. GOGO: Mr. Speaker, in moving second reading of Bill 213, An Act to Amend the Wills Act, I would like to say that not many things in life are certain, but amongst them of course are the end of life, called death, and for some people, not necessarily those in this Assembly, taxes.

AN HON. MEMBER. We're not amused.

MR. GOGO: Mr. Speaker, each year in the province of Alberta, even with about 9 per cent of the population of Canada, about 25,000 people die and I think about 13,000 new Albertans are born. It seems to me that one of the calls I have received as an M.L.A. — I don't know how frequently — is questions relating to assisting somebody left as a result of the death of a loved one or their children, or with reference to their estates. In that regard I think it's very applicable that in Bill 213 today we're dealing with an amendment to The Wills Act in the province of Alberta.

Obviously the biggest problem, Mr. Speaker, is that death is something no one likes to think about. For example, those of us who have read Jessica Mitford's book, a substantial book written in the late '60s and early '70s called the high cost of dying, have found that wherever there appeared to be industrial insurance throughout North America, the funeral was always within about \$3 or \$4 of that. That led to the birth of memorial societies which, depending on your point of view, whether you were an undertaker in good standing — pardon me, a funeral director; "undertaker" is a poor word, I suppose — were a bad thing. They were bad because they offered funeral services at low cost.

One would think they would automatically be very popular. Yet year after year in our major cities, we see memorial societies holding their annual meetings with about a dozen people in attendance. One would wonder why. The only reason I can think of is that when you look at a \$300, \$400, or \$500 funeral compared to a \$1,000 to \$3,000 funeral, they're not popular because people don't like either to think or talk about death.

Mr. Speaker, I think that in many ways that same argument is applicable to wills. People don't like to think

about wills. As a matter of fact, I don't know how many wills are executed annually in the province of Alberta, but I would venture to say that the greatest single number are done in December or January when people are going away. That's when they seem to think about these things. We know that they go by aircraft, statistically the safest of all ways to travel. But it just seems that they really don't like to think about that subject. I look across the way at the Member for St. Paul. He smiles and nods his head, as though he either agrees with me or he envies those who have the freedom to go away to warmer climates each year. None the less it is a fact, Mr. Speaker, that there's a high increase in the number of people who seem to think that the only time they should address themselves to looking after those very important matters of what happens when I'm gone, and I want to make sure I know what's going to happen to my worldly possessions after I'm gone, is when they're going on holidays.

Mr. Speaker, I think we are all cognizant of not only the obituary column but the columns put in the daily and weekly papers throughout Alberta by those in the legal profession looking for various people, descendants of various people, or any knowledge of people who have known various people. They generally relate to the execution of a will or the settling of an estate. So obviously many people in Alberta either do not draft or execute a will or, if they do, not many people know where those wills are.

Fort McMurray, our second newest city in the province of Alberta and probably the city of the future, is a lovely place to visit and has a couple of things that are unique to it. One is the average age, which I think is about 23. It has a population around 30,000. Of that, probably 20,000 to 24,000 haven't been there more than five, six, or seven years. In other words, they're people who, though past the age of majority for the most part, obviously weren't born there; they moved there. If they did a survey in the McMurray area on how many people had wills and, if they had wills, where they were executed ... My information indicates that about 25 to 30 per cent of the people in Fort McMurray come from eastern Canada. Based on what I've said, it would be logical to assume that, people not liking to think about death and wills in the context of death, many of the people from the maritime provinces have likely not bothered even to consider the whereabouts of the will.

For most of us, the normal location of a will would be in our solicitors' office. When we have those wills drafted, he generally advises on the one hand that you take the original and put it in a safe place — and we all know what a safe place is; it's some place you can never find when you want to locate it — and a copy goes into the lawyer's files. Heaven only knows how many lawyers in Corner Brook, Newfoundland, or Digby, Nova Scotia, would have copies of wills of people who now live in McMurray. Mr. Speaker, the sole intent of Bill 213 is to establish a central registry system whereby people could lodge not the will physically but the details of the will, which are described in Bill 213.

People would say, is there not another way of doing it? Well, there is. Under The Surrogate Court Act in the province of Alberta, we now have provision whereby you can go into any courthouse in Alberta and physically lodge your will, in an envelope that can be sealed, given to you by the Clerk of the Court, for the payment of \$3. Within three working days, I believe, the Clerk of the Court would have to notify the Deputy Attorney General, who would make note of that. That's already in the

statutes. My information tells me that at the present time, 12 such wills are registered, although we have only 2 million people in Alberta. I talked to two of the courts in the province, neither of which knew that provision existed, which probably indicates how well known it is by the general public.

In addition, Mr. Speaker, I took it upon myself to write to 20 or 30 lawyers and send them a copy of the Bill. The response from several is kind of interesting. Far be it from me to discuss lawyers' practices. I don't know how deeply they're involved in wills. Obviously some of them are in the courts every day on other matters, others are conveyancing lands, others are doing this, others are doing that. But about half the responses I received are unaware that there is provision in the court system. Certainly my colleague from Forest Lawn not only knows about this provision but is very well versed in it. I don't know if he deals much in wills, but he is certainly well aware of the provision in our court system to do this.

The responses from the lawyers, though — I don't know whether to call them barristers, solicitors, notaries, or just plain lawyers. When I mention lawyers, I'm always accused of being critical. If I mention barristers, people shake their heads because they think I'm talking about England, the mother country. If I talk about notaries, I'm obviously talking about Quebec. So I frankly don't know how to address. If I look at the letterheads, they're all the same: they're all barristers, solicitors, and notaries.

The response from several of them: "I feel that the principle enounced in Bill 213 is an excellent idea." That's from one lawyer. I received an excellent, three-page letter from another lawyer in a law firm and two from benchers. Most of them point out that it's an excellent idea to have this provision. A further two point out that it would only be good if it were mandatory. That's something I frankly hadn't addressed my mind to. Being on the government side of the House, we really don't feel too strongly about mandatory programs. Unless it's drunken driving or something of that nature, we feel kind of strongly about mandatory programs.

I would also point out that registry systems similar to the one proposed in this Bill are in existence in various other jurisdictions. The closest one to us is the province of British Columbia. The latest information I have, which is somewhat current, dated May 20, indicates that in British Columbia 650,000 wills are now registered in their central registry system, that has been in place for a reasonable period of time — 39 years. It commenced in 1942. They presently have about 50,000 wills a year registered there. The most significant part of it — and for this amendment to be workable, obviously people would have to use it. Although trust companies or corporate executors may draft some wills in this province, undoubtedly 95 or 97 per cent would be done by lawyers. In the province of British Columbia the program is heavily endorsed by lawyers. In other words, they believe it is a good thing. Presently in British Columbia they have about 15,000 searches a year made through their central registry system, of which 6,000 to 7,000 a year are successful in locating a will.

Mr. Speaker, speaking to the Bill specifically, it is proposed that there be an amendment to the [Act]. I should point out to members of the House that five years ago the hon. Mr. Foster, the Attorney General at that time, in an omnibus Bill, The Attorney General Statutes Amendment Act, made provision to The Wills Act in the form of an international will, which I think was a great sign of progress in recognition of so many people not

only travelling internationally but serving internationally. The specific amendment to The Wills Act proposed by Bill 213 mentions that a central registry system be created in the province of Alberta, that place being the Vital Statistics department of the Department of Social Services and Community Health. My information from their director Mr. Hersom is that they could presently institute this program with no additional manpower. Now that has to be encouraging to members of the Assembly. They could institute this amendment to The Wills Act at this time, and they would require no additional staff. In British Columbia it presently takes four people. However, if it were to be made mandatory, it would require additional staff. I don't think that's unreasonable, because if it were to be made mandatory the inflow would probably be very high.

A concern some people would have with regard to the Bill, with having a central registry system, would deal with the area of confidentiality. People would feel that if and when they registered their will, people other than themselves, their lawyer, or perhaps their families, would be aware of the contents. The will does not, in effect, leave the hands of the testator. All that happens is that a form is filled out, that is then sent to Vital Statistics. On that form is the following information: the name, address, and occupation of the testator; the location of the will — really the prime motivation for my sponsoring this amendment is so that we know where the will is — and the names and addresses of the witnesses. That's about all that's given, in terms of information. The only people who would have access to that would be a member of the Law Society and/or a person with a vested interest. For example, if we talk about a person in Fort McMurray who came from Corner Brook, Newfoundland, and passed away in McMurray: if he had used the central registry system of Vital Statistics and a brother arrives from Corner Brook to administer the affairs of the person who passed away, he could simply phone Vital Stats, say who he is, be informed that yes, indeed, they have a registration of that particular person and if he or she would show up in person with the following information, they would then disclose the will and its location, and the witnesses' names and addresses.

I think it's a very timely amendment to The Wills Act. I seem to recall the previous Minister of Social Services and Community Health, the hon. Helen Hunley, was inclined to endorse this type of program. Obviously I'm not saying it should be adopted for that reason. But my information from the people who would be required to carry out the plan is that they have already looked into it and could certainly handle it. With that, Mr. Speaker, I welcome the participation in Bill 213 of other members in the Assembly.

Thank you very much.

MRS. FYFE: I'd like to congratulate the member for bringing forth this Bill. As he said, perhaps it's a subject we don't often give a whole lot of thought to. If we've already completed a will, it's tucked safely away and, hopefully, the appropriate person would find it at the appropriate time. If not, as the member said, it's sometimes a subject that individuals tend to avoid. I've always attached the same importance to a will as to insurance. Rather than attaching it to an imminent end to one's life, it's a provision you take to put a mechanism in place that in case something happens at some point, you've provided security, like insurance, or a way that makes it easier for your family. I don't think it can really be

compared to the annual meeting of the Memorial Society. While I think it's also rather important that we plan our funerals, many people tend not to like to face their own mortality in that way.

Some excellent brochures and publications have come out related to the writing of a will and the necessity of individuals to have a will. I think that sometimes individuals feel that their assets aren't worth while writing a will. Perhaps that's changed with inflation, as the goods we own become more valuable. Perhaps more people begin to realize that what they have has a certain value, that is not only important in a monetary sense but also in the sense that it has sentimental or values important to that family. I'm sure we have all heard the horror stories of families that have gone on for a very long time trying to determine which item, which article, which part of the estate would be their share. Those are things I'm sure each of us would like to do without and not have that problem at some point in the future.

No doubt this Bill would be to the beneficiary's benefit, as it sets into motion a situation whereby the executor of the will would know where to turn to find the will. Even though we have taken the time to legally write out a document and have that document filed in an appropriate place, unless we have also set out where that place is, it may cause some concern and anxiety, particularly in an extremely mobile society. Many people have moved across the country and perhaps have not even closed out a safety deposit box or left a copy with a legal office in a place where they used to live. So this would provide a service which could update not only the will itself and the provisions of it; the changes and location can also be included within this registry. I think that's very important in a society such as ours.

In a time of bereavement, there's no doubt that families feel emotional, and often a member of the family is the executor. I think it's very difficult, very unfair to ask a person who is close to the deceased to go through a procedure of searching for a will. If there are ways we can make it easier for those people who succeed us, then I think that is really a responsibility we have. The member's Bill would certainly enhance that process.

A number of benefits are related to the Bill. One certainly relates to cost. If we're going through the legal process and hiring another person to do a search and to do the advertisement, obviously that has an effect on the estate. I had an experience in my own family, where I received a letter in the mail from a legal firm in Minnesota. It had about three full pages of the descendants of this relative I had not heard of before. While it was an extremely interesting process to see all the family line and descendants from this individual, there was no monetary benefit for any of the beneficiaries, as what little there was in the estate was used up in the process of determining who the beneficiaries were. I think most of us really would not like to see our estate go to that research process.

If many people would take advantage of filing their wills, another factor related to this Bill would certainly be the time element involved. Once again the time of bereavement is often a very critical factor for those dependent upon the estate for their income. If the will has to be probated, this can mean that transactions that would normally take place — sale of stocks and bonds, or transactions of properties — can be held up. If it's a time when it's critical to move in this area, it would certainly be of great advantage to the estate and the beneficiaries to have that will probated as soon as possible, and have

the matters cleared up.

The last point I would like to make in supporting this Bill is that if, as the member says, we now have a situation where wills can be filed in the surrogate court — and obviously very few of us were aware of this, including me — communication has left a lot to be desired. Perhaps the passage of this Bill and implementation of the program might serve as an incentive to those individuals who haven't, to go ahead and make out a will.

As I said, some excellent brochures have been developed on how to make a will, and the need to make a will. But often these don't get out to the people who don't think of it on their own or, for some reason or other, tend to put it off. I believe there may be a tendency in younger people not to consider the fact that their life may end earlier than they anticipate, or that they simply postpone for some point in the future. If this Bill and the implementation of this would serve to encourage people, in the event of their own demise, to provide a system that would assist the executor and the beneficiaries, I think it's well worth while. I support the Bill, and I urge other hon. members to do so.

DR. C. ANDERSON: Mr. Speaker, it's indeed a pleasure to rise and speak on Bill No. 213, An Act to Amend The Wills Act. I'd like to thank the Member for Lethbridge West for presenting this Bill. In preparing for my speech, it's given me an opportunity to look at the purpose of a will, why one should have one, and to re-evaluate what my own particular situation has been.

Performing my work in the medical profession, I don't like to think about death because, in a way, death is an admission of defeat. Therefore this gives me another opportunity to think about that and to deal with the problem. I'd like to reassure the Member for Lethbridge West that I wasn't thinking about myself on holidays and whatnot, because I haven't yet taken the opportunity to do those trips to Hawaii.

What is the purpose of a will? I wonder how many people realize what the purpose really is. I feel that the purpose is to see that your intentions are carried out with a minimum of expense and delay, in an orderly and efficient manner for your dependents left behind. As elected officials, I think every one of us has had to deal with some request from some relative within our constituency for help in trying to solve a particular will problem. I've been dealing with one for some time now: a teacher who was single, had attempted to write her own will, and hadn't put in the particulars. That has left a lot of problems for her mother, her friends, and her brothers and sisters.

Why should we have a will? I think it's fair to say that in a great majority of cases a properly drawn up will, will save considerable administration expense and difficulties for your family. If there is no will, means are available to have the property distributed in accordance with the law of the land that most of us aren't aware of. In Alberta, if there are no children and only a spouse, the possessions automatically go to the spouse. However, if there's a spouse and one child, the first \$20,000 and half the remaining property goes to the spouse, with the remainder of the property going to the child. If there is more than one child, the first \$20,000, followed by one-third of the remainder, go to the spouse, and the remaining two-thirds goes to the children.

In this Legislature we've just taken a step, in The Public Trustee Amendment Act, 1981, to ensure that we protect the interests of the unborn child. If a mother is

pregnant and her husband died, there was no protection for that child who would be born at a later date. We've just ensured that that is protected. I'd like to encourage everyone to have a professional person draw up a will, so it's not confused in any way. With the complexity of society today, it's almost essential that we have a professional do it. Society has created conditions which make it impossible to draw up a simple will that deals with all kinds of problems: joint deaths, tax legislation, administration of assets and benefits to minors; and the complexity of the estate left, with bonds, securities, and all those things dealing with joint tenancy.

At the present time we have a situation where we have a written will, regardless if it's a simple one written at home by yourself or written professionally. We advise people to make sure these wills are stored in a safe place. But when you hide or secure something, if you're as forgetful as me, you can't find it a week from now, let alone several years. How do we expect our loved ones to come up with it at that time. When we find a will, how do we know it's the last will? Even if it's found, we still have to go through the expense of advertising and searches to come up with a will. This often entails an expense that involves a considerable proportion of the estate. The Member for Lethbridge West mentioned the mobility of the population we have at the present time, and people moving from one part of the country to another. This also increases the complexity of finding the will and the costs involved.

At the present time we have several situations throughout the world. In Denmark, all wills are registered in a central registry. England permits disposition of a will with the Supreme Court [inaudible]. The Netherlands has had compulsory registration since 1918. The U.S. has a probate court that has a will depository. Alberta, Manitoba, and Newfoundland have compulsory life information for international wills, mentioned by the Member for Lethbridge West. Ontario has a surrogate court that holds wills in safekeeping; and in Quebec, the board of notaries registers information about notarial wills. I think the Member for Lethbridge West recommended the B.C. situation, with their voluntary register. With over 50,000 wills registered every year, I think that has proven itself. However, with the voluntary aspect, I don't think that eliminates all the problems.

Several pros and cons are related to the suggested registry. The pros for having the registry are, first, that it will assist members of our families to locate wills and should reduce the costs of settling an estate. But I don't think that will happen unless it's compulsory registration. If we don't have it compulsory, we are still going to have to go through the expense of advertising and searching for that will. Even if we find one that's been registered, another may be filed. I know of several cases where you have a patient in the hospital who wants to make some final adjustments and changes at that time. However, the suggested legislation should make it convenient and should eliminate some of the time involved in searches and advertising.

One thing I think is important with the registry is that it will help to prevent suppression of wills. That may not be a major problem now; I'm not sure. But suppression of a will by somebody who is not going to benefit from it could be a problem. This would help overcome that, because the will would be registered. I've already dealt with the voluntary aspect. I feel that is negative in that we still have to go through the expense and time of searches and advertising.

The cons presented against the Bill have been that it would increase bureaucracy and increase the tax burden on all taxpayers, regardless of whether they used the registry. However, the member stated that in a voluntary situation the number of employees needed to do that would be minimal, and therefore not of much consequence. Of course the other aspect is that whenever government becomes involved, it becomes another example of Big Brother. I'm concerned about how things have moved on what's happening with the book *1984*.

What can we do from here? I generally support the Bill and recommend that it be made compulsory, though, for the reasons I have stated. I think we would have to have a large-scale public information campaign about wills, so people know and understand what they are. Although brochures are available, I don't think many people are using them. Also with the information campaign and provisions to make information available to people, it would help to educate the testator to ensure that his or her wishes are carried out with a minimum of difficulty and expense. Further, we need to make sure the will registry simplifies registration in that the enactment of such a registry would make it simpler and easier for a lawyer to carry out, support, and implement it.

I'd just like to say that a will that's properly documented and drawn up can be of benefit to the family. It can ease the bereavement problem. I can cite an example of my wife's aunt, who recently died, had everything well documented, had the will registered so that people knew where it was, had even drawn up a eulogy for herself, and had drawn up a message for her family at her passing away. I think that brought a peace and hope to the family, and gave them some hope in life after death.

With that, I'd like to support the Bill, and suggest that we go on to compulsory enactment.

MR. ACTING DEPUTY SPEAKER: May the hon. Minister of Tourism and Small Business have permission to revert to introduction of visitors?

HON. MEMBERS: Agreed.

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

MR. ADAIR: Thanks very much, Mr. Deputy Speaker and members of the Legislative Assembly. It's a pleasure for me to introduce to you today 21 students from the Cadotte Lake school in the beautiful Peace River constituency. The Cadotte Lake school is a member of the Northland School Division, under the Minister of Education. The students have been on an extended trip. They have visited the communities of Slave Lake, Jasper, Banff, and Calgary, and they're now here in Edmonton. Accompanying the students is their teacher Rod White, supervisors Teri Williams and Gaylene Whitehead, and bus driver Neil Ferguson. I ask them to rise and receive the welcome of this Assembly.

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

Bill 213

An Act to Amend The Wills Act
(continued)

MR. L. CLARK: Mr. Speaker, I'm pleased to speak on Bill 213 today. I would also like to congratulate the Member for Lethbridge West for bringing it forward. I think it's something we need in this province, and I'm certainly glad he brought it forward.

Bill 213 simply asks that The Wills Act be amended so that your will can be registered with the department of vital statistics. I guess you would have to ask what advantages would this have for the people of Alberta and, for that matter, all Canada. To do this, I suppose you should look at some of the problems you run into when you make out a will or, as an executor of an estate, when there is no will. Probably the biggest problem of all is that many times there is no will, or else there is apparently no will and one can't be found.

Naturally, although it presents an opportunity for you to register a will, this amendment isn't going to help you if you don't have a will. But it does not say that we still have to leave to the individual to make sure he has a will. I do believe that a well-advertised and a very simple and easy to understand program would cut down a great deal on the number of cases in Alberta where there is no will. I believe it would also highlight the need for having a will. We've gone through this in our family, there is a real need for a will.

At the same time, it would help educate a great many people on the type of will they really should draw up for the type of business they're in. You can make out a will, and I have one made out that I'm sure is absolutely useless at present because I wrote it out years ago. It's still sitting in my safe deposit box, and I haven't looked at it in 20 years. I guess it's probably out of date. It may be time I started to look at it. [interjections] I believe that if the general public becomes a little more aware of the need for a will, we would have a lot fewer problems, when the estate comes, that there wouldn't be any will. Because if they had to go through an estate where there was no will and react to some of those problems as an executor, or an executrix, then it would certainly highlight why you have to have a will.

I think the first thing you have to do when you start looking at wills — even if you register them, it doesn't mean you can't do it without expertise. I think you have to draw on some expertise to draw up the will. In that area, most of the expertise nowadays comes from lawyers. You have to take your chances on them, I suppose. In my dad's day, he used to have the lawyer draw up the will and leave the will with him. It was the lawyer's duty to see that his wishes were carried out. In fact, this was the very method my dad used. We were very fortunate in our estate because it was made out by a very competent and honest lawyer, and we had no trouble whatever.

On the other hand, in our community, where farms have changed hands when people have passed away, the estates were in a turmoil for years because the person who drew up the will did not administer it properly, and didn't tell the person who drew up the will the implications in the fine print, or the cost to the estate to have

him administer it. Of course, just the fact that we register a will is not going to eliminate dishonesty or misrepresentation. But it would at least make sure that what someone signed at the time the will was registered would be the same as when it became an estate, and that his wishes would be carried out in what he was signing.

When I speak of time, I suppose time is always one of the problems associated with wills. Time goes by quicker than you know. A young couple might be married in one province and, within a few years, might well have travelled across this country and made a home in several other provinces. I believe the last thing they ever move is their will. They never bother going out to see if the will is packed in their suitcase or anything. They just leave and pick up a new job elsewhere. It's something that doesn't worry them at all. So when disaster really strikes, it becomes a very expensive proposition to go back and look through maybe two or three provinces to find out if there was a will, or if one was never drawn up. If none can be found, of course the Public Trustee takes over; especially where there are children, he takes over completely.

We now have a system in Alberta to register international wills. As the hon. member for Lethbridge West explained very well — and I won't go into it now — there is a system in B.C. where the director of vital statistics numbers in an index book each notice filed, and these are kept track of. I guess the primary purpose for this registration is to provide a mechanism whereby a person can ensure that his will will not be overlooked after his death. As the member explained, it has worked very well. Last year, over 50,000 wills were registered. It had come from 19,000 in 1971, so you can see it's been well utilized. And I feel the reason is that the procedures are simple, the cost minimal, and the law society in the province of B.C. not only backs it but recommends it.

In closing, Mr. Speaker, again I would like to compliment the Member for Lethbridge West for bringing this forward. I think it's timely, and I hope we will give it consideration. I urge all members here to support the Bill.

Thank you very much.

MRS. CHICHAK: Mr. Speaker, I take pleasure in having the opportunity this afternoon to participate in the debate on Bill 213, An Act to Amend The Wills Act. It may seem that it is a subject that has limited scope for dialogue, so how can we find anything interesting to say. That may be true to some extent. I suppose it depends on the importance you attach to the particular topic. Not only is it timely, but I think we avoid discussion of the matter of wills not only in public places where we have public functions or roles to play, such as in the Legislature, affecting the drafting of legislation, but right back to the family unit.

To begin with, there always seems to be a kind of hesitancy on the part of family members to discuss the writing of a will, to ask their parents whether there has been or is a will, whether it is registered or where it's lodged and, secondly, to find a way of making a will. Generally the children feel that parents may interpret their inquisition as meddling or wanting to know if something has been left to them, how they have been treated, who has been appointed to administer an estate after death, or the misinterpretation of whether the inquiry about a will is somehow a suggestion that the parent may be approaching a time of life when not many years may be left in their span. It's generally a distasteful kind of subject to be raised by family members.

There are other problem areas where there are no families. What about situations where it is a single individual, perhaps a divorced individual, perhaps a second marriage where there are children originating from two different parents in the household. I think there is a need to bring the importance and need for wills into the scope of public discussion at more regular intervals, and a need at least to have notice somewhere of their existence and location. At some time or other I think the majority of us have had the experience that we really don't know about the business activities of our brothers, sisters, parents, or some relative, and where they might have arranged to outline and set down on paper their intentions with respect to the assets they have acquired. So to begin with, I think the whole subject of wills needs to be brought more into open discussion, included in awareness of younger people rather than leaving it as a matter of discussion at a level of senior years. The arrangements for succession of assets and estates need to be brought into a discussion of family planning.

I think hon. members who have spoken before me have described with a good deal of validity the need for having a registry. In looking at the Bill before us, I find that perhaps two aspects might have been included; that is, both a voluntary and mandatory component for registry. Both are compatible if applied in a certain sense. We expect that the majority of wills are made in a law office with the assistance of a lawyer. But I know certain people just have an aversion to having their wills made by a lawyer for a number of reasons. One, quite often demonstrated, is the fee attached. So rather than utilizing those services, they determine they would rather make other arrangements that could be quite satisfactory to them. In any event, the mandatory component of legislation could be with respect to when or where the will is prepared in a law office by a lawyer. They already have a mechanism in place where they could simply send a form to the registry office indicating that a will has been prepared for such and such an individual and is held in the offices of ... Simply a notification, so that after death any individual who has a direct interest would have a single focal point to make inquiry as to the location of a will.

As I've worked in a law office for many years, I recall the difficulties that arose. I know that all the lawyers who are members of the Legislature will attest to the difficulties in searching out the location or even the existence of wills when bereaved members of a family come to their own solicitor who has done their private legal work. They will ask: how do we find out whether there has been a will; we've never been told; my father, uncle, or brother has always been very secretive about whether a will was prepared and how they wished to have their assets distributed. So the registry would have a very useful purpose in the sense of being mandatory where they are made in law offices.

But it would be important to leave the aspect of a voluntary registry for those who perhaps do not have their wills made by a solicitor or in a law office, whether it's a holograph will or what we would call an authentic will with the witnesses attesting to the document. As has been demonstrated in British Columbia, I think people who prefer to make their own wills and, under other circumstances, would utilize a registry if there was some publication of the existence of the registry and some encouragement for people at any and every age level reasonable for one to have a will, to have such drawn and registered to overcome a lot of extreme administrative difficulties after death. [interjections]

We've still got about two minutes to go. Mr. Speaker, I would like to make a few more points with respect to the Bill before us and perhaps might take a little more time to consider whether an amendment to this Bill should be introduced. Not being prepared to move the amendment at the moment, because I was really waiting for the comments of other members as to whether their expressions of concern were consistent with mine, I'll take that opportunity on another occasion.

At the moment, I'd like to have leave to adjourn debate.

MR. ACTING DEPUTY SPEAKER: Has the hon. Member for Edmonton Norwood permission to adjourn the debate?

HON. MEMBERS: Agreed.

MR. HORSMAN: Before moving to the next item of business, I remind hon. members that when lawyers gather together they normally propose a toast to the man who draws his own will, and for good reason.

Mr. Speaker, I propose that when the House adjourns until 8 o'clock this evening, it do so in such a way that we can reassemble in Committee of Supply for the purpose of considering further the matters under consideration with respect to special warrants.

MR. ACTING DEPUTY SPEAKER: Do you agree with the motion by the hon. Deputy Government House Leader?

HON. MEMBERS: Agreed.

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

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

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order.

Special Warrants

Housing and Public Works

MR. R. SPEAKER: Mr. Chairman, I'd like to raise a point of order with regard to the resolution and the vote before us. I believe it's Vote 4 in Housing and Public Works. I'd like to refer to three sections of *Standing Orders* of the Legislative Assembly for your attention, sir, and decision. The first section I'd like to refer to is Section 1:

The proceedings in the Legislative Assembly and in all committees of the Assembly shall be conducted according to the following standing orders, which means that these are the rules that take precedence over other rules, and they're the rules of this Assembly.

The second item is Standing Order 52, which refers to standing orders in the committees of the Assembly. That would refer to this committee we are in at the present time.

The standing orders of the Assembly shall be observed in the committees of the Assembly so far as may be applicable, except as to limiting the number of times of speaking,

which means that the rules we follow in this committee are the rules followed in the regular House in the more formal session when the Speaker is in the Chair.

The third one in the rules I'd like to refer to, Mr. Chairman, is Section 22, which speaks of when a member is called to order. That would refer directly to the item on the agenda, the special warrant under Housing and Public Works. I would like to read the initial sentence: "A member will be called to order by Mr. Speaker if that member". I'd like to refer to part (g)(i). This is the part of our *Standing Orders* that is significant and important in the present case.

- (g) refers to any matter
- (i) that is pending in a court or before a judge for judicial determination . . . where any person may be prejudiced in such matter by the reference

Mr. Chairman, in raising this point of order, I would like to say very clearly that that standing rule in this Assembly says to us as members that the matter with regard to the special warrant of \$20 million referring to McDougall House and the purchase thereof cannot be debated. If we look at the dictionary definition of "refer", it means to direct attention. By debating the special warrant, we would be directing our attention thereto. Secondly — and this is the point that is very significant and important — if we vote on that respective special warrant under consideration, that as well would direct our attention thereto. My case at this point is that our *Standing Orders* of this Legislature prohibit discussion and voting on the matter at hand. I feel that is significant, and I believe all members of this Assembly would like to follow the *Standing Orders* put together by us as members of this Legislature.

One item that was raised in your opening remarks, Mr. Chairman, was with regard to criminal and civil cases. That is not defined in our *Standing Orders*. Matters "pending in a court before a judge for judicial determination" does not make the definition made in *Beauchesne*. It is general, all-inclusive and, very conclusively to me, includes the matter before us at the present time.

Mr. Chairman, I'd very much appreciate your support of that section of the *Standing Orders*, so that this matter we're looking at at present can be held in abeyance, no discussion can proceed, and no vote can be taken on the matter because of our standing rules which very carefully direct us.

MR. CRAWFORD: Mr. Chairman, given the history of this particular item before us at the present time, I have no objection to addressing myself once again to the misapprehensions the hon. Leader of the Opposition persists in. There is nothing before the Assembly that would indicate that the estimate in the estimate book is before any court. What the hon. leader has done in proceedings in court, which he says he cannot refer to here, although he has just done so — what he has asked for in those proceedings is nothing that has to do with any of the proceedings of the Assembly. He has asked for a declaration in regard to an executive act that occurred in March. He swore an affidavit saying that that's what he was interested in.

Perhaps I don't need to say more, but the references to the various *Standing Orders* the hon. leader has made are

appropriate enough. There is no question they say what he says they say. They are before all members. Standing Order 22 says that a member may be called to order if a member refers to a matter

that is pending in a court or before a court for judicial determination . . . where any person may be prejudiced in such matter by the reference

Mr. Chairman, I didn't hear anything that indicated anyone would be prejudiced, even if the matter were referred to. So on that basis, if we use 22(g)(i) as the underpinning of the hon. leader's argument, by itself it is empty and defective. I say again that the hon. leader should not confuse the judicial and the legislative process. No parliament in history would have put itself in the position where a budgetary matter could not be voted upon, based upon the interpretation he has put on the *Standing Orders* today. No parliament in history has ever done that; no parliament in history would do so.

MR. NOTLEY: Mr. Chairman, in trying to listen to the Government House Leader today, I think I understood his argument. It was essentially that the declaration the Leader of the Opposition had caused to go before the court was related to an executive order, namely the special warrant. Therefore it was an executive act and not an act of the Legislature.

But, Mr. Chairman, as I understand our rules, we as a legislative assembly are now in the process of adding, if you like, our legislative stamp to that executive order. Otherwise there would be no point in this committee dealing with any of the special warrants. If the Executive Council had the unfettered right to issue special warrants and then not come back to the Legislative Assembly for authorization, the whole structure of our parliamentary system of government, which is legislative control of the purse strings, would come crashing down around us as members of this committee. So, Mr. Chairman, the fact that the information the Leader of the Opposition raised is related to an executive order does not in any way alter the basic fact that that executive order must be ratified, if you like, by members of this committee and this Assembly.

Mr. Chairman, I just raise the point I made yesterday. I think we have a very difficult situation at the moment. None of us wants to discuss this matter that is before the courts, because to do so would be inappropriate. On the other hand, for us to approve a special warrant without having the opportunity to discuss its merits is a complete abdication of our responsibility as members of this Committee of Supply. The only way we can deal with it is for the government to say, all right, we will hold it over.

I believe the Member for Clover Bar made the point yesterday — and it was an appropriate point — that we have a fall session of the House. At that time the matter of this particular special warrant could be introduced. Perhaps by that time the court decision would be made one way or the other and we'd be in a position to deal with it. But to press ahead at this stage with the constraint of not discussing it because it is before the courts, yet voting on it, puts us in an absolutely invidious position that I don't think any of us as members of the committee could justify to our constituents.

Notwithstanding the rather adroit effort of the Government House Leader to argue the point, it seems to me that the rules are very clear. As long as the Executive Council is asking this Assembly to approve the special warrant, it becomes very much part of our business as a

committee and the rules as set out in our *Standing Orders* must be applied strictly by the chairman.

MR. R. CLARK: Mr. Chairman, might I respectfully suggest, sir, that the nub of the issue is that approving the special warrant in fact approves the executive order, and it's that executive order which is before the court.

Might I further suggest with great respect, sir — and it's with no reflection on the Chair at all — having regard for the fact that I believe this is the first opportunity for this kind of thing to come to the Chamber, a desirable course of action the Chairman may want to proceed with is if you want to hold a ruling on the matter until an opportunity is provided to have consultation with the Law Clerk. The committee could then go on with study of other special warrants. The Chairman may well want to check with the Law Clerk and report to the committee once he has had the opportunity of that kind of counsel.

MR. CHAIRMAN: Does anybody else wish to enter the debate?

In the various sections of the *Standing Orders*, particularly Section 1 and Section 52, the hon. Leader of the Opposition has certainly pointed out the manner in which the committee will conduct itself according to the rules of the Assembly. That is quite correct. Also in referring again to Section 22(g)(i), no doubt we have to be guided by the rules as set out in our *Standing Orders* as well. However, I do have some difficulty in relating this particular point of order, as it has arisen tonight, to the motion introduced by the hon. Leader of the Opposition that is actually before the committee at the present time, dealing with this particular vote and being debated in the House by the Member for Clover Bar, the Leader of the Opposition, the Member for Spirit River-Fairview, and the Government House Leader, and the debate was ongoing at the time the committee rose to report last time. We now have a point of order raised.

I would be quite prepared to rule on the matter at the present time, because if the committee wishes to be strictly guided by Section 22(g)(i) and that the debate should not be continued on this particular vote, then in my estimation the committee would have the right to vote on the matter without debate. It would appear to me the committee would have to consider that very carefully. If they wished to be guided in that manner, we could call the vote immediately.

At present, however, my ruling would be that we do have the motion before us as introduced by the Leader of the Opposition, and that motion has to be considered and voted on at the present time. Since the debate has not been concluded, if any other members of the committee wish to speak, I ask them to do so. If not, I ask the Leader of the Opposition, if he wishes, to conclude debate.

MR. R. SPEAKER: Mr. Chairman, on a point of order again. As I understand it, when a point of order is raised it takes precedence over other orders of business, matters going on in the Assembly, and has to be dealt with first. I think the Chairman would revise his examination of that matter. That was the reason I raised this matter at the beginning, because the point of order I raise is a matter of rules. If the interpretation I've made — which I think is the right interpretation — is right, the motion before the Assembly does not necessarily have to proceed. In terms of time in the Assembly and handling the matter by our rules — which I believe take precedence over other mat-

ters — the point of order should be addressed and dealt with first. If it applies to our Assembly discussions, that means the item is held and the resolution is no longer necessary.

MR. CHAIRMAN: Perhaps as Chairman I did not make myself abundantly clear. I certainly acknowledge the fact that the point of order has to be dealt with at the present time. But I only made reference to the fact that the motion before the committee was moved. I think it probably would have been more appropriate to raise the point of order before such a motion was presented to the committee. Therefore my ruling, as I said before, would be that the debate on the motion should proceed.

MR. R. CLARK: Mr. Chairman, very specifically, I take it you have made a ruling, sir, that the point of order does not stand.

MR. CHAIRMAN: That would be my ruling. Of course there is a procedure if you wish to appeal the ruling.

MR. R. SPEAKER: Mr. Chairman, certainly we would request that the Speaker be in and we discuss this matter before the Speaker. At this point, I move that the Assembly move into the more formal form with the Speaker presiding, and we raise the matter of privilege at that time.

MR. CHAIRMAN: Do I understand that the Leader of the Opposition has moved that the Speaker be recalled to the Chair for a ruling?

SOME HON. MEMBERS: Agreed.

MR. CHAIRMAN: I will now put the question on the motion. Are you all agreed with the motion of the hon. Leader of the Opposition that the Speaker should be recalled?

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

[Three minutes having elapsed, the House divided]

For the motion:

Clark	Notley	Speaker, R.
Mandeville		

Against the motion:

Adair	Fyfe	Pahl
Anderson, C.	Gogo	Paproski
Anderson D.	Harle	Payne
Batiuk	Hiebert	Pengelly
Bogle	Hyland	Purdy
Borstad	Hyndman	Reid
Bradley	King	Russell
Carter	Knaak	Schmidt
Chambers	Kowalski	Shaben
Chichak	Kushner	Stevens
Clark, L.	LeMessurier	Thompson
Cook	Lysons	Trynchy
Crawford	McCrae	Weiss
Cripps	McCrimmon	Wolstenholme
Diachuk	Miller	Woo
Embury	Moore	Young
Fjordbotten	Osterman	Zaozirny

Totals: Ayes—4 Noes—51

MR. CHAIRMAN: We'll now proceed to deal with the motion moved by the hon. Leader of the Opposition that was before us before the point of order was raised. Does any other member of the committee wish to speak at this time, or does the Leader of the Opposition wish to conclude debate?

MR. R. SPEAKER: Mr. Chairman, I wish to conclude debate with regard to this motion we have made: that this matter, the vote on the special warrant of \$20 million for McDougall House, not be discussed at this time, but that the vote be deferred until after the court hearing and the decision of the court.

Mr. Chairman, in closing I'd like to make these points to the Legislative Assembly. I'd like to talk in terms of legislative and judicial responsibility and clarify that so there is no confusion. There is a distinct difference and a sequence which is important in this Legislative Assembly. Every minister, the Premier, members of the Legislature, act according to the law of this province. That is the precedent. That is the ground rule that determines what we can and cannot do in this Legislature and what ministers can and cannot do in their departments. That is basic. No act should take place outside the legislation that guides our direction as MLAs and, directly, as ministers of departments.

Mr. Chairman, that is the first question. Therefore, in my opinion at this point in time, whenever a minister has acted outside legislative authority, that matter must be challenged through a source available to me as a citizen or to other citizens in this province of Alberta. That is the course through the courts to make provisions for civil action. I have done that. I have been told a number of times in this Legislature, in question period and otherwise, that legal decisions are not made here. The case is very clear. I am convinced that this vote before us, the special warrant of \$20 million for McDougall House, was outside The Financial Administration Act. Mr. Chairman, that comes before the legislative act.

What is being requested of us here in this Legislature this evening and yesterday is that we vote on an administrative legislative act that is supposedly according to law. I feel it is not. If it is not, it is not a legitimate act. Therefore the legislative decision, this decision being asked of this Legislature here this evening, cannot be discussed or voted upon until the legal action first takes place, so that we know we have an item that is legitimately on our agenda and has been done within the law of the province of Alberta.

Mr. Chairman, the legal, judicial step is first, and the legislative step is second. We have not proceeded through the judicial system at this point in time. Therefore we cannot proceed with the legislative step. That is very clear in my mind, and it is the way this matter should proceed. On that basis, that is my first argument why we should defer any vote, any discussion on this matter before us.

Secondly, Mr. Chairman, I think we should clarify this matter and first of all raise the question: how do we approve executive action in this Legislature if we do not do it in the study of estimates in this committee? How is it legitimized as a decision of the Alberta Legislative [Assembly] if we do not vote on it at this point in time? So the argument put forward here that I am talking about a case in court that happened last March — I am not. I am talking about a decision this evening that I as a

member of this Legislature and other members are asked to make and to approve; that is, that the executive action of the expenditure of money in this province is not being approved and made legitimate at this point in time. By our voting on the matter, it is supposedly legitimized when it may not be legitimate, and if we vote on it or discuss it — or specifically, if we vote on it. And we saw this big government majority, this big machine, work a few minutes ago to take the rules of this House and use them any way they want. We're a little opposition and can be voted out any time and pushed any way you want. You've got lots over there to do it.

One of the rules I learned when I first became a member of the Legislature was from someone I felt had a lot of wisdom, my father. He said, when you go to the Legislature, you're an elected member; you're going to be given a lot of power. He said, one of the things you have a responsibility to do is not to abuse that power; you must respect other individuals in its use, other people in minority groups. Mr. Chairman, that is basic to what we're talking about at this point.

Mr. Chairman, to me, we cannot proceed at this point in time. It is not right to make a vote. It is not right to have a discussion. The only action or recourse this Assembly has is to defer the matter until the court case takes place. At that point in time, whenever the Legislature is conveniently in session, the matter can be disposed of accordingly.

Mr. Chairman, I rest my case on those two points which I feel are valid and should be respected by this Legislature.

MR. KING: Mr. Chairman . . .

MR. CHAIRMAN: Is this a point of order?

MR. KING: No. I think we're in committee. I think members may speak as many times as they like.

MR. CHAIRMAN: This is a motion before the committee.

MR. KING: We're still in committee, Mr. Chairman, irrespective of whether it's a motion or not. The motions on the votes for special warrants are also motions.

MR. CHAIRMAN: My ruling would be that this would be a formal motion. The Leader of the Opposition has had the opportunity to conclude debate. Nobody else indicated a desire to speak at that time. I asked the committee if they wished to. I would think that the debate is concluded and we're ready for the vote.

MR. KING: Mr. Chairman, would I have an opportunity to cite *Standing Orders* to you?

MR. CHAIRMAN: On a point of order?

MR. KING: Yes. I'd like an opportunity to cite the annotations in *Beauchesne* as well, Mr. Chairman, but I'd refer you to:

52. (1) The standing orders of the Assembly shall be observed in the committees of the Assembly so far as may be applicable, except as to limiting the number of times of speaking.

Which is to say that Mr. Speaker, for example, does not close debate with his second rising to speak, because he has the right to rise to speak a third, fourth, or fifth time.

But I'd like the opportunity to refer to the fifth edition of *Beauchesne* as well, if I could.

MR. CHAIRMAN: Perhaps we could continue with the proceedings, even in view of what might be cited from *Beauchesne*. We'll listen to the citation if the hon. minister is ready.

MR. KING: No, Mr. Chairman, I'm not.

MR. CHAIRMAN: I have to say that the rules of debate apply when an actual motion is before the Assembly. As well, the rules of debate indicate limiting the times of speaking. But when it has been called by the Chair and asked if anybody else wishes to speak, the mover of the motion may conclude debate. I judge that would be the proper procedure, and I think we should continue from that point.

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

[Three minutes having elapsed, the House divided]

For the motion:

Clark, R.	Notley	Speaker, R.
Mandeville		

Against the motion:

Adair	Gogo	Osterman
Anderson, C.	Harle	Pahl
Anderson, D.	Hiebert	Paproski
Batiuk	Horsman	Payne
Bogle	Hyland	Pengelly
Borstad	Hyndman	Purdy
Bradley	King	Reid
Carter	Knaak	Russell
Chambers	Kowalski	Schmidt
Chichak	Kushner	Shaben
Clark, L.	LeMessurier	Stevens
Cook	Lysons	Thompson
Crawford	Mack	Trynchy
Cripps	McCrae	Weiss
Diachuk	McCrimmon	Wolstenholme
Embury	Miller	Woo
Fjordbotten	Moore	Young
Fyfe	Musgreave	Zaozirny

Totals:	Ayes—4	Noes—54
---------	--------	---------

MR. CHAIRMAN: We'll proceed with Vote 4.

MR. R. SPEAKER: Mr. Chairman, on a point of privilege. I'd like to indicate that members of the Social Credit caucus — and this includes my colleague the hon. Dr. Buck, who is not here this evening but indicated he would participate with the rest of us on this action — feel any discussion or voting on Vote 4, which you have called, would be improper at this time and certainly flaunting the judicial system. We are going to abstain from the vote and are leaving the Assembly at this time for that reason. I would like to give notice that in the total of this vote and at the conclusion, when we vote on the total of all special warrants, we intend to take the same action. I'm giving notice of that at this time, so we indicate our concern. If the government, which has a majority vote in the Legislature, wishes to proceed, they may do so.

MR. NOTLEY: Mr. Chairman, on a point of privilege as well. I ask the government to reconsider. I say to members of the House that it's a highly dubious proposition at best to proceed at this time. There's no question that we are under a constraint. As I look back in *Hansard*, the discussion on Tuesday last, members on both sides of the House agreed there should not be discussion on this matter because it is before the courts. Now we're asked to vote on something where there can't be adequate discussion. I don't believe we can honestly do that and be consistent with our obligations as members of this committee and the Legislative Assembly. Therefore I must join with other members of the opposition in absenting myself from this vote. [interjection]

Agreed to:

Total Vote 4 — Planning and Implementation of Construction Projects	\$20,920,000
---	--------------

Total Vote 5 — Policy Development and Financial Assistance for Housing	\$300,000
--	-----------

Total Vote 6 — Housing for Albertans	\$2,620,200
--------------------------------------	-------------

MR. R. CLARK: Mr. Chairman, just so *Hansard* shows the actual situation, I want it recorded that members of the official opposition are once again absenting themselves on the total for Vote 6. [interjection]

MR. RUSSELL: Mr. Chairman, I'm amazed at the action of the opposition. I say this having been there in the term 1967 to 1971, when our numbers were the same as theirs. There come times in the House when it's difficult to respond or react to a specific decision you have to make. But after all, that's why we campaigned and that's why we're here. We're supposed to be in the House expressing our views and voting on issues that affect the public of Alberta, not scampering outside and absenting ourselves when we don't agree with something or don't like it.

The constituents of Alberta represented by the members who have scampered out of the House so ungracefully are being ill-served in this case. I think the arguments made with respect to the legality of what we're doing are rubbish, and we recognize that, because otherwise the parliamentary system wouldn't work. Every time a citizen wanted to launch a civil proceeding in court, that would infer, according to the arguments of members of the opposition, that all business must come to a halt until the courts decide the matter. Surely the way is for us to make the decisions here and vote aye or nay, but according to our conscience and our convictions, and then if we're wrong take whatever action is necessary. But it may be months, and it may be entirely hypothetical.

The Leader of the Opposition says we're probably acting illegally, but that is only his opinion. Surely we're not going to wait several months while some court decides on his opinion. I believe the opinions of the other members in this Legislature are equally valid. When the citizens of Alberta send members here, particularly at a time when we're voting on estimates, I can't believe that because they don't like something or it doesn't agree with their way of thinking they would absent themselves. The thing for them to do is stand in their places and register their opposition. They may not like it, but that's the way to do it. We did it for four years when we were in opposition. I think the citizens of Alberta at least recognize the integrity of members taking a stand and showing their beliefs

and convictions, and not sliding out of the House when something they don't like occurs.

MR. CHAIRMAN: I'm not sure if I caught the beginning of the hon. minister's remarks, but I understand he was speaking on a point of order.

MR. RUSSELL: No, Mr. Chairman. I was just joining the debate and the comments made prior to calling this vote.

MR. CHAMBERS: Mr. Chairman, before we finalize the vote on Vote 6, I thought it might be useful for the record to again review some aspects of the McDougall school site acquisition. I remind members that I was approached by the Calgary board of education in the city of Calgary in April 1980, when they made a proposition that the government acquire McDougall school for \$20 million. They'd had an independent appraisal on the property of \$28 million. I'll give them a lot of credit. Despite the value of the property — and it would probably be a higher value were it zoned for higher density — the school board nevertheless felt the school was of historic significance and should be preserved. They no longer had use for it as a school.

On September 17 a formal proposal was made to the provincial government by then mayor Ross Alger and then chairman of the board of education Jean Fraser. Those administrations were pressing me for an acceptance of their proposition. Of course it takes time to appraise things. I arranged for my department to appraise the property, and we did. We found it was indeed excellent property. I invite members to visit it. An excellent building, in good shape, it has beautiful woodwork and plasterwork that's rather unique in this province. Of course the city wanted terms as part of the property: they wanted to develop some 900 underground parking spaces; they would provide that parking on an income-return basis and build a structural slab; and the government of Alberta would build a park overlying this parkade and surrounding the property. That would accomplish a number of purposes. It would preserve an historic property, which we could well use for the people in Calgary and southern Alberta for government office space; provide open, green space for much-needed parkland in a densely built-up area of Calgary; and provide much-needed parking.

So our assessment was that it was a very good proposition indeed. I obtained the approval of my colleagues in January. On January 23 I met with the new mayor, Mayor Klein, and the new chairman of the public school board, Dr. Sandra Anderson. We agreed on the terms of the purchase, subject to ratification by the new council and the new school board. This was ratified by the new Calgary city council on March 2, 1981, and by the board of education on March 4, 1981.

Perhaps it might be useful if I read to members the motion approved at the school board meeting. This is in a letter from Dr. Anderson to myself. The following motion was passed:

That the Board approve in principle the sale of the McDougall School property to the Province of Alberta, in accordance with the terms and conditions agreed to by the parties; and that upon payment by the province of Alberta of the purchase price of \$20,000,000.00, such sum be deposited in trust with the Board Solicitors pending final approval of the Board and the Minister of Education and the fulfil-

ment of the requirements of the Minister of Education with respect to school closure, and subject to the execution of a mutually acceptable agreement by the respective parties.

I might add, and I think it's public information, that the new board was not unanimous in its decision to ratify this agreement, but they did. I felt then and still feel that it was an excellent business transaction, that the \$20 million was indeed a good deal for the province. In view of the motion by the board and a number of other factors, I felt — and I had all along — that there was a sense of urgency to the proposition. Obviously if the school were to be closed there was a requirement to provide for the relocation of the remaining 50 or 60 students, and to accomplish that as soon as possible. Taking all those considerations into requirement, I proceeded to ask my colleagues to approve a special warrant. That special warrant was approved on March 18, 1981. I then had the \$20 million placed in a trust account in accordance with the motion by the school board, pending completion of the school purchase transaction. Subsequently I learned that public hearings would be required. They were held and, to my understanding now, all necessary arrangements and recommendations in that area have been made for the conclusion of the transactions. All that remains now is the finalization of the legal transactions of the agreement.

Mr. Chairman, I thought it might be useful to get that on the record and be sure members are totally aware of why I felt I was acting with a sense of urgency and in the best interests of the people of Alberta.

Agreed to:	
Department Total	\$23,840,200

MR. CHAIRMAN: I think perhaps now we'll return to the Executive Council. Vote 5 was held for further information.

Executive Council

Agreed to:	
Total Vote 5 — Personnel	
Administration	\$620,000
Department Total	\$696,781.86

Municipal Affairs

Agreed to:	
Total Vote 2 — Financial Support	
for Municipal Programs	\$770,000
Total Vote 3 — Alberta Property Tax	
Reduction Plan — Rebates	
to Individuals	\$5,620,000

Vote 6 — Regulatory Boards

MR. R. CLARK: Mr. Chairman, just one short question to the Minister of Municipal Affairs. Mr. Minister, approximately what portion of the total cost of the Edmonton annexation hearings would the special warrant of \$266,000 be? I appreciate that you wouldn't have the exact details.

MR. MOORE: Mr. Chairman, my memory is that the total additional cost for the hearings held in the Edmonton annexation, the panel and so on, was in the area of

\$400,000. It's not all in the special warrant, nor was it all in one fiscal year, but it was approximately \$400,000.

Agreed to:

Total Vote 6 — Regulatory Boards \$266,475

Vote 7 — Co-ordination of Northeast Alberta Programs

MR. NOTLEY: Mr. Chairman, on Vote 7, perhaps the minister could outline why a special warrant was necessary "To provide funds necessary for the continuation of townsite planning for future development in the Fort McMurray region". It's my understanding we still have the commissioner of northeast Alberta, do we not? There'd be ongoing studies. Why would we need a special warrant in this case? I would assume that sort of thing normally would be recommended to the minister by the commissioner. I assume it's under the auspices of the commissioner.

MR. MOORE: Mr. Chairman, the matter arose in this way. Originally, when the budget was finalized before the fiscal year in question, we had anticipated to be in a position — as members will recall, at that time the February federal election had not occurred — of being able to form a new town board under The New Towns Act that would have carried out the additional planning necessary for the proposed town to house the employees of the proposed Alsands plant. But later in the year when that project did not proceed, in our view it was not expeditious to form a new town board when we were unsure of whether a town would be built. However, there were certain matters, which I would call matters which had shelf life in terms of planning, that we felt should proceed because they were valuable to us, even though it may be two or three years down the road before a new town might get under construction. So I asked the northeast commissioner's office to proceed with planning matters that might otherwise have been done by a new town board. If members will recall, we had reduced the budget of the northeast commissioner's office from something like \$750,000 the previous year to about \$300,000. So it was a barebones budget that did not have additional funds in it for planning. I then had to pass a special warrant to get the planning funds necessary to proceed with the town site studies, which have now been largely completed although there's still some work going on. It's not physical work in the sense of building a town, but rather work that has a shelf life that can be brought out immediately when we have a desire to build a town.

Agreed to:

Total Vote 7 — Co-ordination of
Northeast Alberta Programs \$300,000

Department Total \$6,956,475

Recreation and Parks

Agreed to:

Total Vote 2 — Recreation Development \$3,340,000

Total Vote 3 — Provincial Parks \$352,800

Department Total \$3,692,800

Social Services and Community Health

Agreed to.

Total Vote 1 — Departmental Support
Services \$4,632,380

Total Vote 2 — Social Allowance \$82,510

Total Vote 3 — Child Welfare
Services \$7,727,810

Total Vote 6 — Vocational Rehabilitation
Services \$2,025,400

Total Vote 7 — Services for
the Handicapped \$6,906,490

Total Vote 8 — Treatment of
Mental Illness \$235,000

Total Vote 9 — General Health Services \$177,540

Total Vote 10 — Community Social and
Health Services \$11,293,793

Department Total \$33,080,923

Solicitor General

Agreed to.

Total Vote 3 — Law Enforcement \$4,088,355

Total Vote 4 — Motor Vehicle
Registration and Driver Licensing \$500,000

Department Total \$4,588,355

Tourism and Small Business

Agreed to

Total Vote 2 — Development of Tourism
and Small Business \$75,000

Department Total \$75,000

Transportation

Vote 2 — Construction and Maintenance of Highways

MR. NOTLEY: Mr. Chairman, is the minister not here? I don't see him. I wonder why the continuing construction of the Fort McKay bridge would not be in the budget in the first place. The minister doesn't seem to be in tonight, or maybe I'm casting about and I don't see him. Have you got somebody who can answer that question? I'll refer it to the acting minister, Mr. Chairman. [interjections]

MR. CHAIRMAN: If he can be found. Then we'll go to Utilities and Telephones.

Utilities and Telephones

Agreed to:

Total Vote 1 — Departmental Support
Services \$700,000

AN HON. MEMBER: You skipped over Treasury.

MR. CHAIRMAN: I was holding that until the last.

Agreed to:

Total Vote 2 — Utilities Development \$29,415,000

Total Vote 3 — Natural Gas Price
Protection for Albertans \$7,000,000

MR. NOTLEY: Mr. Chairman, on Vote 3. I'm sorry I missed Vote 1, but under the total vote for the department, my understanding is that some planning had been going into the western power grid. Why was it necessary to have a special warrant in this case? If my recollection is correct, the announcement was even made during the spring session of the House last year. So under these circumstances, why was it necessary to have a special warrant when it could have been included in the budget? If my memory serves me right, I believe the minister made the announcement some time in early April of 1980.

MR. SHABEN: Yes, Mr. Chairman, that's correct. I can't remember the precise date the announcement was made. But the three provinces agreed in April, I believe, to proceed with the study. It wasn't possible to determine what the cost of the study would be, nor was it possible to determine precisely what the scope would be. It was simply a decision to undertake the study. Upon obtaining an estimated cost of the study, it was necessary to obtain the funds, and that procedure was taken. I believe that determination was made on September 20, and a special warrant was agreed to by the government.

MR. NOTLEY: Mr. Chairman, how much would the total study cost? Is Alberta's share exactly one-third, or is Alberta paying a higher percentage of the share? What is the total cost of the study and who is doing it?

MR. SHABEN: The hon. member may also notice I indicated that a portion was approved on September 20. In January of this year an additional \$100,000 special warrant was passed, for a total of \$700,000.

I indicated to members of the Assembly earlier that the sharing arrangement between the three provinces was on the basis of 50 per cent of the cost being borne by the province of Alberta, 25 per cent each by Manitoba and Saskatchewan. Since then there have been some adjustments because of additional work required. That is being borne entirely by Saskatchewan and Manitoba.

MR. NOTLEY: What would the figures represent now? Is the minister able to give us that information?

MR. SHABEN: I can't be precise, but the total cost is approximately \$1.5 million.

MR. R. SPEAKER: Mr. Chairman, to the minister. Does the minister see a special warrant during the coming year? With the change in gas prices and various things happening, has the minister calculated or predicted any type of emergent situation such as that, or has the minister allowed for a larger amount of subsidization in his general budget?

MR. SHABEN: One of the really interesting things about the Department of Utilities and Telephones and the requests for funds, particularly from rural utilities, is that it's difficult to budget because of the activity being generated, generally by the farmer-owned co-ops. We attempt to estimate the amount of construction that will take place in a particular year. Last year was probably the largest year in terms of number of services constructed, over 11,000. That was the reason for the extraordinary expenditures that were required.

To respond to the hon. member's question, what do we expect this year? We believe we have budgeted sufficient

funds to carry out the expected construction programs, but it could happen that more work will take place or there will be a greater number of sign-ups and more activity than we expected. So it's really difficult to gauge. We do the best we can in trying to estimate what sort of activity will take place.

Agreed to:

Department Total

\$37,115,000

Treasury

Vote 1 — Departmental Support Services

MR. R. SPEAKER: Mr. Chairman, to the minister regarding travel abroad. Could the minister elaborate on what occurred at that time, the kinds of discussions, and possibly break down the \$60,000? Was it mainly travel, who was involved, where was the travel, and I guess the reasons? Were there some financial benefits back to Alberta in terms of industrial development or investment in our community in Alberta?

MR. HYNDMAN: Yes, Mr. Chairman. Members will recall that last spring The Heritage Savings Trust Fund Act was amended in order to enable investments to be made in equity. That decision required that in the following weeks and months decisions be taken to secure some outside financial advice. As members know, we have acquired Morgan Grenfell, a company from London, England, and Montreal Investment Management, a company from Montreal and Toronto, to do that. The search for and the acquisition of that kind of pretty high-powered financial and investment advice took place over the course of the summer and fall. Of course it was not anticipated in the budget of last year. It required a review of well over a dozen or more potential investment banks in London and New York with respect to the international adviser.

Therefore a number of trips had to be taken to visit with and assess various merchant banks, and others, which could be the investment advisers for the world scene, the international out-of-Canada scene. That required a significant number of visits to New York and London, essentially by the Deputy Provincial Treasurer and others in the finance and investment area. On one occasion I went to London and back. So because they hadn't been foreseen, those trips for the search for and eventual hiring of Morgan Grenfell necessitated part of the warrant.

The other part of the warrant, a lesser amount, was similarly for the acquisition and securing of Canadian investment advisers, wherein we essentially went to Toronto and Montreal and ended up with the Montreal investment group. Both of the organizations, I might add, are proving to be very, very helpful. The investments of the heritage fund will eventually show the benefits of that top-flight professional advice.

MR. R. SPEAKER: Mr. Chairman, to the minister. Will the Heritage Savings Trust Fund receive a report from them in the fall of this year? Will there be any summary reports from the findings provided to us as members of the Legislature, or will all the documents be kept in the department?

MR. HYNDMAN: Mr. Chairman, I would anticipate that I would certainly be presenting a definitive report

and answering any number of questions with regard to the status at that time, the progress with regard to investments, the advice that has been made, and the work they have done. Of course public accounts will reveal the accounts they have sent to us and that have been paid for. So I would expect a report at that time. However, I wouldn't see the appropriateness of documentation. We would report within the legislative terms of reference of the Heritage Savings Trust Fund legislative committee.

Agreed to:

Total Vote 1 — Departmental Support Services	\$160,000
Total Vote 6 — Public Service Pension Administration	\$1,712,066
Department Total	\$1,872,066

MR. HYNDMAN: We finished that page in . . . Oh, the Minister of Transportation is here. He can answer those questions.

MR. CHAIRMAN: I was just going to go to the salary contingency at the end of the estimates.

Agreed to:

1980-81 Vote for Salary Contingency	\$5,000,000
-------------------------------------	-------------

Transportation

Vote 2 — Construction and Maintenance of Highways

MR. NOTLEY: Mr. Chairman, I'd like to ask the minister why a special warrant on the continued construction of the Athabasca River bridge at Fort MacKay was necessary. It occurred to me that that kind of thing would normally be planned in the ongoing work of the department. Why was it necessary to have a special warrant under these circumstances?

MR. KROEGER: Mr. Speaker, I think that's a valid question. What happens in a situation like this is that there are some contingencies. You're working against what happens on the river in the summer. In the winter, when you go into decking and this sort of thing, you have to work off the ice. So there were several contracts involved and we had to watch the timing. We had to be certain that it could go and that the conditions were right. So we went this route.

Agreed to:

Total Vote 2 — Construction and Maintenance of Highways	\$15,300,000
Total Vote 3 — Construction and Operation of Rail Systems	\$510,000
Total Vote 4 — Construction and Maintenance of Airport Facilities	\$260,000
Total Vote 6 — Urban Transportation Financial Assistance	\$10,500,000
Department Total	\$26,570,000

MR. COOK: Can I make some general remarks before we conclude debate on this? I started to make some points yesterday afternoon in the debate. I'm looking at the Blues. I was making the point that the Social Credit government had provided for special warrants in exactly

the same way we provide special warrants today. I have before me the *Revised Statutes of Alberta 1970*. It has the Social Credit legislation. The phrasing is exactly the same, Mr. Chairman, for the test of urgency which the legislation provides for. Basically it says: "that the Minister having charge of any matter has certified that, in the public interest, an expenditure of public money is urgently required with respect to that matter".

Mr. Chairman, the definition of "urgent" in *The Oxford Dictionary* is simply something that is "Pressing, calling for immediate action or decision or attention . . . earnest and persistent in demand". That is exactly the same test provided for in the new legislation we're operating under. In fact the Social Credit legislation is exactly the same in this regard as the legislation in place today. So it's odd that the hon. Member for Little Bow — I was raising the point yesterday that the Social Credit administration had done exactly the same thing we are doing today, voting on special warrants, some of which were approved just before the Legislature convened, or some immediately after, that simply reflect the same policies and procedures and the same test of urgency. Really what it means is that the government has an ongoing function to the people of Alberta to provide for their general well-being, make decisions, and provide good government. While I was making that point, the hon. Member for Little Bow stated that perhaps he was wrong in 1970 when he was a minister of the Crown in Executive Council responsible for proposing special warrants for supplementary expenditures. He said he was wrong, and he would admit to that.

I would submit to you, Mr. Chairman, that when the hon. Member for Little Bow was a minister of the Crown, he was not wrong. He is now trying to provide a convenient definition and test, which is a specious argument at best, and is politically opportune. If I can make this point: using the legislation that was on the books when the hon. member was a minister and using the legislation which is on the books now, the special warrants section is exactly same. The same interpretation follows. My distinguished colleague from Calgary Forest Lawn points out that The Interpretation Act provides that items in legislation should be given the broadest possible definitions, so that the legislation's object may be accomplished.

Mr. Chairman, if I might close with one final point. The legislation provides that expenditures may be provided when something is urgent. The legislation does not say "emergency". That's an important point. The legislation provides for something pressing, desirable, of public good, not for an emergency, which the hon. Leader of the Opposition, the Member for Little Bow, seems to be suggesting. Those are two very different concepts: urgency versus emergency. That seems to be the heart of the argument, Mr. Chairman.

I think the hon. Member for Little Bow is being politically opportune in suggesting that there are two rules, one for us and one for them. He was right then, as a minister of the Crown, as we are right today — that the government must go on, that Executive Council has the responsibility to the province to make decisions for the public good and govern in the best interests of the people of Alberta. So I only point out that the hon. member was not wrong in his comments yesterday, Mr. Chairman. While he might have suggested that he was wrong when he was a minister, I don't think he was. He is simply being opportune, and his arguments are fallacious.

Agreed to:
Total Special Warrants \$593,178,004.77

MR. CRAWFORD: Mr. Chairman, I move that the vote in respect of the supplementary estimates of expenditure be reported.

[Motion carried]

Department of the Treasury

MR. HYNDMAN: Mr. Chairman, I'd like to make a few remarks before proceeding into the estimates of the Department of Treasury, because we are at a very topical time with respect to these estimates. Because this government is entering negotiations which may take place only twice in this decade on a subject that is one of the key features of the Canadian federation, it is appropriate that I make a few remarks at this time.

Of course I speak of the federal/provincial fiscal arrangements, a topic which will be increasingly front and centre in the months ahead. First, I believe it's useful to have a look at the increasingly busy timetable faced by this province, the west, and indeed the country with regard to these negotiations in the weeks ahead. This coming Monday, June 1, Alberta will host a meeting of the four western ministers of finance and the Provincial Treasurer here in Edmonton. On June 25 all 10 finance ministers and provincial treasurers will meet in Victoria under the chairmanship of the Hon. Hugh Curtis, the Minister of Finance of the province of British Columbia. We would expect that in the regular August meetings of the 10 premiers of the country this matter of fiscal arrangements will be one of the items on the agenda. Accordingly, the pace of discussion will increase in the weeks and months ahead.

Mr. Chairman, to get involved in the detailed discussion of all aspects of this topic would probably take longer than an hour and involve a stack of documents more than a foot high. I don't intend to do that. As members well know, the topic is very complex. There are many dimensions to it, and undoubtedly more detail will unfold in the weeks ahead. Today, however, I wish to deal briefly with three of the fundamental aspects of the program: the established program financing, equalization, and the tax collection agreements. That all sounds very technical, and indeed, Mr. Chairman, many aspects of it are technical. But I would underscore that these arrangements and these various programs and elements of the arrangements have very direct implications on Albertans today and future generations of Albertans with respect to costs, quality of service, and taxation.

I first outline our general posture on the upcoming negotiations. As members know, many of the negotiations, although not all of them, expire on March 31, 1982. So at the moment we are in what I would think is too short a time line. The federal government indicated last fall that they were prepared to discuss this matter and put forward their basic position in January or February of this year. That has not occurred. Consequently we are behind time. Although the provinces have collectively indicated that the federal government should move ahead with initiatives, they have not done so.

We should remember that the federal/provincial umbrella fiscal arrangements generally cover the equalization program, the federal funding for medical care, hospitals, universities, technical schools, other extended health care programs, and the tax collection agreements. As members

know, today, as a result of the 1977 arrangements — they're generally entered into for five-year periods — the federal government provides dollars to all provinces to assist in the provision of health, education, and social services.

Mr. Chairman, in entering into these negotiations the Alberta position generally is straightforward. We believe that those 1977 arrangements have served Canada well, that they have proven to be sound in their operation in the various provinces, that there's no need for basic changes, and that because they're basically sound those arrangements should be maintained in principle — perhaps fine-tuned or refined, but there is no need to make major changes or conduct major surgery. Therefore the onus in this exercise is on the federal government to justify totally any significant changes they may wish to propose. As well, there is an obligation on Ottawa to demonstrate that any basic modifications are needed in the programs.

As a government, in the months ahead we'll be looking at and following some key principles with regard to all these programs, Mr. Chairman. First, it's important that these transfers be stable and predictable. That was one of the key goals in 1977. At that time the Prime Minister indicated that that was the goal of the federal government. Accordingly, at this time the federal government's threats of significant payment reductions are unacceptable. They introduce elements — far from stability and predictability — of uncertainty, which is going to work a hardship on all aspects of this program and its delivery in the province. Those kinds of suggestions of significant payment reductions are not only inappropriate but harmful to all provinces and the citizens of the provinces and the country.

Secondly, in our view it would be important to avoid overlap, duplications, and inefficiencies which could well result if there are federal intrusions with regard to the ways in which these programs are administered. The federal government must remember at all times that these programs are under the jurisdiction of the provinces, not of the federal government. Health, education, and social service delivery are not under Section 91 of the British North America Act under the purview of the federal government, but rather are matters clearly and unequivocally under provincial jurisdiction. So that must be respected. We would therefore look to ensuring that there would not be any federal intrusions in that fundamental, overriding provincial jurisdiction in those areas.

The Ottawa government has indicated that they want to discuss federal visibility in some of these programs. When we find out what that is, we'd be prepared to discuss it, providing it's reasonable. As yet we don't know quite what they mean. We know the federal government wouldn't want to be accused of being opaque or translucent. Many would feel they'd like to have them invisible. But if they want to say what their visibility problem is, we would probably be happy to sit down and talk about it.

As well, we see it as certainly no solution for the federal government to purport to transfer its budgetary problems onto the backs of the provinces and municipalities. Unfortunately there are some indications that they have that in mind. That simply will be unacceptable, I suggest, in respect of all provinces. Lastly, of course, we look to genuine consultation in this matter of the fiscal arrangements and adequate time to negotiate real co-operation, an attitude of trying to work together as 11 governments. We have seen significantly few examples of that approach over the past year, but we would hope that

in this third area of federal/provincial activities — the constitution, energy, and this being the third — there might be some hope for that kind of useful approach.

Now let me look briefly at three of the most important components of these arrangements. There are quite a number, but the three basic ones deserve some comment. Firstly, the matter of the tax collection agreements is of course an area of emerging activity from the point of view of this province. In the past we have announced our business tax incentive program, which will provide Alberta with the flexibility which has been enjoyed for many years by Quebec and Ontario. As we move through the months ahead, we will be able to offer more detail as to the programs which would stimulate processing and assist in diversification. As we've said during the implementation of this program and during the time we brought in our corporate tax approach, as one of the goals of that program we seek to maintain a significant degree of harmony with the tax situation in the rest of the country. Accordingly we are prepared to look at the harmonization concept and to discuss principles of tax consistency. That is especially so in cases where it would enable the regions of the country to compete fairly in the international scene and with central Canada.

Secondly, looking at the element of the established programs financing, which members know relates to transfers of both cash and income tax points, we say again that there is no need in that area for large scale modifications. In Alberta's view, the primary objective should be to build up existing programs and improve the proven programs of 1977 to 1981-82. The objective should not be, as unfortunately I fear we see happening from some federal statements, to tear down what is really an underlying financial framework of the whole confederation. Therefore as a province we're deeply concerned with the statements in the October 28, 1980, budget, wherein the federal government indicated that it wished to secure "substantial savings" in these established program finances. They have talked about significant amounts well over \$1 billion.

In our view, and I believe it is shared by a number of other provinces, that goal and approach of simply unilaterally stating that reductions will be made is unacceptable in the kind of traditional federal/provincial approach we've had with regard to these negotiations. We need assurances of stability. It's basically wrong for the federal government to move in, stimulate activity in certain social areas, and then purport to back off, leaving the municipalities and the provinces with the load. In this area, though, I again would indicate we're prepared to sit down and discuss the question of visibility and perhaps clarification of program conditions. We look forward to and hope there will be real consultation. Again we don't see this exercise being appropriate if it's to be a loading of federal responsibilities onto the provinces.

The third and a very important element of the arrangements is the area of equalization. I see that essentially as a cornerstone of the structure that comprises the many hundreds of financial arrangements between the 11 governments in the Canadian federation. Since 1957 when the program was first introduced, the purpose of equalization was to enable the provinces to provide basic public services without unduly burdensome taxes. We have supported that approach, previous governments in Alberta have supported it and, as indicated in the *Harmony in Diversity* document, we continue to support it and feel it's a basic principle and, if necessary, should be incorporated into an appropriate constitution. Again,

equalization as we've known it is basically a sound principle. It can and should be updated and refined, and we're willing to explore alternative ways to achieve those goals.

One thing I should make very clear, Mr. Chairman, is that the line of thought we now hear from Queen's Park and Ottawa, which masquerades as equalization, is actually nothing of the sort and is not acceptable to this government in any way, shape, or form. It goes under the name we've heard from time to time over the past few weeks, "the second tier". It purports to indicate there is a second tier to equalization. Of course it's nothing of the sort. While we are in favor of equalization, the suggestions from Queen's Park and Ottawa have nothing whatever to do with equalization but essentially relate to a scheme to siphon off temporary revenues from non-renewable natural resources, which belong to Alberta and the west, and move them to the central part of the country. Under the guise of a refinement of equalization, which the second tier is not, we really have an approach to attempt to redistribute the temporary revenues from capital assets to other parts of the country. In our view that principle, approach, suggestion, or scheme is simply a non-starter. It is *prima facie* unacceptable; it is not part of the agenda of equalization or of the fiscal arrangements.

It's important to note that those suggestions totally ignore the fundamental and crucial difference between the revenues which come from the tax base of a province and the conversion of capital assets of depleting natural resources. That is the basic and crucial distinction about which I'm sure there'll be discussions in the week ahead.

I think a number of Albertans are probably appalled to find that on another occasion — and I would suggest this is probably the fifth occasion — we have an approach which is directed in an unfair way specifically at certain parts of the country. Not only do we find that this province, and those provinces with petroleum, are asked to forego revenues of about \$400 million a year for every \$1 below the world price conventional oil commands; not only do we have a purported export tax on natural gas, an Ottawa proposal which purports to have a federal royalty on oil and natural gas owned by Albertans; not only do we have a threat to cut \$1.5 billion out of the established programs financing; now we have what is really nothing more than a bare-faced attempted by Queen's Park and Ottawa to put in place a scheme for the systematic fleecing of the resource heritage of Alberta and the west, and eventually other provinces and regions with resources. In the long run it will foreclose on the promising resource future of the Atlantic provinces as well.

It's interesting to note that this scheme from those two sources I mentioned comes forward in 1981. It's puzzling indeed that we did not hear anything of that kind in 1931; we didn't hear it in 1951, 1971, or 1911. It appears that when a level is reached where we have moved ahead and acquired an average family income, for example, equal to that of Ontario for the first time since 1905, suddenly there is a move across the country for this form of second tier. Strange that it was not announced or put forward in other years.

[Mr. Purdy in the Chair]

I don't think other provinces in the country are fooled by this approach, Mr. Chairman. As I've indicated, the target starts with the non-renewable oil and gas resources of British Columbia, Saskatchewan, and Alberta — and very shortly, we hope, Newfoundland. What will be next?

Perhaps the coal of Nova Scotia and British Columbia. Possibly at risk as well is the potash of Saskatchewan and New Brunswick, and Manitoba coming forward. The hydro-electric resources of Newfoundland, British Columbia, Quebec, and Manitoba are threatened by this concept as well. It's interesting of course that none of the areas which have provided a solid, diversified manufacturing tax base are involved. So the approach suggested is basically unfair, inequitable and, in our view, is not deserving of serious consideration.

I suppose if one wanted to be fair with regard to this approach of looking at the overall wealth of a given jurisdiction, Mr. Chairman, we should properly take into account not just the year 1981, where we find various statistics and comparisons made in the Ontario budget, but the years since 1905; let's say, comparing Ontario and Alberta from 1905 to 1981. I'm sure the maritime provinces would like to see comparisons with the central manufacturing heartland from 1867 and 1875 to 1981 when it comes to trying to assess or balance wealth. If we're going to have a reconciliation of that kind, to be fair we'd have to take into account the tariffs which have essentially been a transfer of over \$1 billion every year from the west to central Canada and the freight rates we've been on the wrong side of for so many years. As I mentioned, because Alberta and other provinces are still catching up, if we're going to talk about averages or compare various incomes or the relative wealth of various provinces, let's look at the year 1921 and compare Alberta with Ontario. Let's look at '31, '41, and '51, or other comparative years. There certainly will be more response to this issue in the weeks ahead. We intend to respond in a more definitive way to the recent appendix found in the Ontario budget, which deals with this matter, and with the comments of Mr. MacEachen in his appearance before the task force in Ottawa.

In conclusion, Mr. Chairman, before answering any questions and elaborating on aspects of the Treasury estimates, I would like to put on record my personal appreciation and that of the government for the work done by the Deputy Provincial Treasurer and all the management and staff of the department. This last year has been especially busy. The demands in virtually every branch and department and every aspect of the activities they put forward have been extremely heavy. Their high-quality efforts have been most sincerely appreciated on my part.

Vote 1 — Departmental Support Services

MR. SINDLINGER: Mr. Chairman, I would like to ask the minister a few questions please. The first is in regard to the statement made by the minister that there's no need for basic changes in the established cost-sharing programs. I have a little difficulty reconciling on one hand the call to maintain a high level of expenditures and on the other hand saying, don't increase your revenue. I don't see how that can be accomplished. Perhaps the minister might elaborate on that.

MR. HYNDMAN: I don't quite follow the remarks, Mr. Chairman. We indicated that the federal government entered upon these arrangements in 1977 and five years previously, and it is a commitment they made. In 1976 the Prime Minister said that stability and predictability should be hallmarks of this program. If that stability and predictability are to be there, the federal government cannot forget those kinds of reductions.

MR. SINDLINGER: Mr. Chairman, to the minister. The inconsistency I'm trying to get at is this: on one hand the government is admonishing the federal government for the deficit it has, yet on the other hand when the federal government tries to decrease that deficit by decreasing expenditures, this government says, no, don't do that. To me that is an incongruity. That's the question I hoped the minister would address.

MR. HYNDMAN: Well, Mr. Chairman, I could give a very long speech on the problems with the fiscal and monetary policies of the federal government. I think we've indicated that if they would inject some reality into their energy policies and introduce some practical thinking and some realities to the entire budget process to take approaches that will result in the opportunities staring us in the face in this country being realized, we wouldn't have these problems. They would not have the problems they're facing now. So it is not up to us to apologize for the economic and fiscal difficulties and major mistakes in judgment of the federal government.

MR. SINDLINGER: Mr. Chairman, if I can go on to another point then. During question period, several questions with regard to interest rates were asked of the minister. At that time the minister said he would be happy to respond to them during his estimates, so I'll repose them to him. One question was in regard to the treasury branch policy of tracking current high interest rates. The minister's response was that that policy, which benefits a significant number of Albertans, will continue. In what regard does the policy of tracking the current high interest rates benefit a significant number of Albertans? Perhaps the minister might identify which Albertans those are.

MR. HYNDMAN: Mr. Chairman, it would be those Albertans who deal with the treasury branches who have the benefit of the 1 per cent less than prime rate, the favorable rate at which they can borrow. That is a benefit which I understand is not matched by any other financial institutions which deal in the province. So by doing that, there is a significant benefit to all those customers. I suppose that normally one might think there would be a lesser benefit to those who put money into the treasury branch on a loan basis. But there has been no reduction in the favorable and competitive high interest rates paid to those who have loan accounts at the treasury branch.

MR. SINDLINGER: Mr. Chairman, to the minister. Then I take it that the benefit to Albertans isn't in tracking the high interest rate. The benefit is in having an interest rate in the treasury branches which is lower than that which otherwise would be available from other sources.

The second question the minister indicated he would be happy to deal with during his estimates dealt with the flexibility that came from Alberta's corporate tax collection scheme. The minister indicated flexibility would result there for growing Alberta businesses to compete against multinationals and national companies. I have not heard the minister or the government talk about a policy or program which was intended to compete against multinationals and national companies. Perhaps the minister might expand upon the policy this government has in regard to the role multinationals and national companies play in this province and the government's policy in

regard to competition in Alberta with those types of companies.

MR. HYNDMAN: Mr. Chairman, as we indicated when The Alberta Corporate Income Tax Act was brought in last year, the approach is being done in two phases. The first phase, which is now in effect, was bringing to Alberta the rightful and historic provincial jurisdiction to set corporate taxes and the basic elements of their levying. That was done in a way that did not involve major changes in order to make the move easy and efficient and put the least load on various Alberta businesses which exist today.

Phase two, on which more information will be made available in the months ahead, will involve policies which could assist in upgrading of raw Alberta products within Alberta — products that perhaps are now upgraded to a second, third, and fourth stage outside the province — to increase the degree of processing in the province and perhaps stimulate research and development. Those are some areas we're looking at. Of course there is a new dimension in this area; that is, the negative impact of the Ottawa energy proposals may require us to look at that new-found flexibility in order to assist the Alberta economy in certain ways.

We've indicated the approach will be used to assist small and growing Alberta businesses. In many cases those small and growing businesses have significant difficulties in competing against a very, very large international company or perhaps even a national company headquartered in other parts of the country. Therefore this tax approach is designed to assist Alberta businesses in order that they might compete on a closer-to-equal basis with giant international and national companies.

MR. SINDLINGER: Mr. Chairman, to the minister. I take it that the Alberta government policy about competing against multinationals and national companies might be somewhat similar to that of the federal government's in terms of Canadianization of the oil industry. The only observation I might make is that rather than there being a difference in direction between the two governments, there's just a difference in methodology. [interjection]

I'd like to go on to the next point, Mr. Minister, if I may. In the fiscal policy and economic analysis division of the department, I understand one function is to analyse the economic impact of government programs and policies. My question would be whether any of these impact analyses have been done for the reduction in oil shipments from Alberta and also the starting up or not starting up of tar sands plants.

MR. HYNDMAN: On the first comments by the hon. Member for Calgary Buffalo, Mr. Chairman. No, there wouldn't be that degree of similarity between the programs or intended programs of the Alberta government and the so-called Canadianization program of the federal government. We believe that Canadian and Alberta ownership of companies can and should be encouraged, but certainly not in the way that is now brought forward by the hon. member's colleagues. The way to do it is to encourage people to become equity owners of companies. Perhaps the Alberta Energy Company is an example.

On the question of studies that have been done from time to time, there is a constant flow of high-quality information from the department and from consultants to the department. The specific example brought forward was the oil production reduction, the second stage of

which will take effect on June 1. As I think has been indicated, the effect of that approach on jobs in the province is very, very minimal. I understand that the way in which that reduction is being achieved through the various pools of oil is such that, contrary to some claims from Ottawa, there is no measurable impact in terms of a loss of employment by reason of cutbacks in the oil production.

On the matter of the oil sands plants, as well as other topics, they are the subject of current and updated studies within the department.

MR. SINDLINGER: Mr. Chairman, to the minister. I'm pleased to hear that, in the minister's words, there's a constant flow of high-quality information. I wouldn't expect anything else from the department under this minister's guidance.

The question I pose to the minister, though, is whether he would be willing to share that constant flow of high-quality information with other members of the Legislature, particularly in regard to impact analyses done on the reduction of oil shipments from Alberta and on tar sands plant development. Perhaps the question I could pose to the minister is simply this: have any studies or analyses been done by either in-house people or outside consultants on the impact of either of these two actions?

MR. HYNDMAN: As I indicated, Mr. Chairman, there is a constant flow of information, memos, and documents of statistics. The results of that flow of information are found in the budget, policy statements of the government, legislation, ministerial statements, and releases throughout the year. So it is those sources which the hon. gentleman will look to in order to assess what the government policies are. The government policies result from those studies, which I hope he would offer comment upon and criticize, but of course the information that goes into those documents would not be available.

MR. SINDLINGER: Excuse me, Mr. Chairman, for clarification. I'm not sure I followed all of that, Mr. Treasurer. Are you saying that studies were or were not done? If studies were done, are you saying there is a publicly available source I could go to, to determine whether or not they were done? Finally, if I were to do such things, would I be able to access them from the government?

MR. HYNDMAN: Mr. Chairman, I said that studies were done by the department. They find their way into the Assembly and to the public through governmental statements and the budget, and that is where the information will reside. No studies are available for the Assembly from departmental memos or statistics.

MR. SINDLINGER: Mr. Chairman, were any consulting studies done on these matters by Foster Research, for example, but not to exclude others?

MR. HYNDMAN: I believe some studies have been done by Foster Research. I wouldn't think they have been completed, but I will check on that. I note that every year or two there seems to be a motion for a return which calls for consultant studies. Doubtless there will probably be one on this item as well.

MR. SINDLINGER: Mr. Chairman, I might wonder out loud just why we have to go through motions for returns

all the time to get this type of information. If it is of such a high quality, one would think the government would want to make it available.

Nevertheless, may I please go on to another item in regard to financial planning? My understanding is that the function of that department is to project the government's cash flow and monitor the prospective financial position of the government. Mr. Chairman, my question to the minister is whether that department, division, or whatever has conducted any projections of the cash flow for the Heritage Savings Trust Fund over the next few years?

MR. HYNDMAN: There have been certain internal projections. I might mention that they become increasingly difficult, Mr. Chairman, by reason of such things as the Ottawa energy proposals. As we know, this year there was quite a flattening out in the rate of increase in revenues in the heritage fund. Again internal studies are made available, and they find their way to the public through the annual reports of the Heritage Savings Trust Fund and the budget. This item can be explored in greater detail after the heritage fund annual report is out, probably about the end of July, in the committee meetings starting possibly in August.

MR. SINDLINGER: Mr. Chairman, could the minister indicate how many years into the future those projections were made?

MR. HYNDMAN: Mr. Chairman, each year I think it becomes more and more difficult to project any given number of years. Probably in 1971 one would have felt comfortable with a 10-year projection. No longer. I think now projections of two, three, five, perhaps further years could be made, but of course the likelihood of error is much wider. So accordingly, if it is in the public interest to release projections or guidelines, we would certainly do so.

But firstly I think there is a very great danger of all projections being so uncertain by reason of policies — federal policies among them — that to release them might be very misleading to those, say, in the business sector, who want to plan on certain projections. There's a good chance they would be wrong. Therefore I think the government could properly be chastised by the private sector for misleading or encouraging certain policy decisions. Accordingly we try to make projections in the budget, as the hon. member has noted, but beyond that it's very difficult. I don't feel helpful to the public interest to put out long-term projections, the accuracy of which would be very much in doubt from the very date they were put forward.

MR. SINDLINGER: Mr. Chairman, to the minister. No doubt there is a great deal of uncertainty associated with any attempt to forecast any matter, and this is no exception. I can understand that. Nevertheless it would be helpful for long-term planning to have those types of projections. A good example I can cite is the Minister of Energy and Natural Resources when he appeared before us defending his estimates. He noted that the Alberta government had indicated it would provide \$7 billion for a tar sands plant.

Now, I'm not saying that's a good or bad investment, but the fact is that if \$7 billion were invested in a tar sands plant, we could not recover that money for, say, 20 years down the road. On the other hand, the purpose of

the trust fund is to provide money when the wells run dry. If those wells run dry within five years and we can't recover our investment for 20 years, then we have a problem. That's why we have to undertake some long-term investment of this nature, so we'll know that when we need the money we'll have it available.

The last question I'd like to pose to the minister in regard to the Heritage Savings Trust Fund is whether any investments have been made over the last half year, or since the last sitting in the fall, in securities, guarantees, mortgages, hypothecs, or whatever from a country other than Canada; whether the Heritage Savings Trust Fund holds any foreign currencies; whether the trust fund has invested in any mutual funds or real estate pools?

MR. HYNDMAN: I'd like to check and undertake to get back to the hon. member with answers to that. But I believe that basically, except for very isolated transactions which may relate to the purchase of treasury bills of perhaps the government of the United States, essentially the answer is no. Certainly with regard to the equity moves, which I indicated would be taken by the heritage fund and which the Legislature empowered the heritage fund to make last spring, we have not yet moved into that area in either the Canadian or the offshore market. However, I wouldn't want to indicate when we will do so, because that may affect the market and the extent to which we'll be able to purchase good equity.

MR. SINDLINGER: Mr. Chairman, to the minister. Notwithstanding the minister's last comment that he would not wish to make an indication as to when they would get into these other types of things, perhaps he could give us an indication of whether it's imminent, being contemplated for the near future, or somewhere further down the line.

MR. HYNDMAN: I contemplate we would be making purchases of Canadian equities within the guidelines which I indicated last fall in the balance of this fiscal year. I would not see the likelihood of our purchasing offshore equities within this fiscal year. Perhaps at a later date.

Agreed to:

1.01 — Provincial Treasurer's Office	\$160,620
1.02 — Deputy Provincial Treasurer's Office	\$651,300
1.03 — Administrative Support	\$1,345,100

MR. R. SPEAKER: Mr. Chairman, just before we leave this, I believe the minister mentioned a June 10 meeting of all finance ministers. Could the minister elaborate a little more on the agenda of that meeting and what seem to be the objects at this time?

MR. HYNDMAN: If memory serves, Mr. Chairman, I believe the date is around June 25. It's a meeting which would involve the 10 finance ministers and treasurers of Canada. I understand it will be held in British Columbia under the chairmanship of Mr. Curtis. That meeting would involve the provinces only and would be for the purpose of discussing not only the three elements of the fiscal arrangements which I mentioned but, as well, any other development which may have occurred.

As I mentioned, the federal government has not been very fast-paced in putting forward its views in this matter. Accordingly it's appropriate that the 10 provinces meet,

even if it's by themselves, I would think to review what the general provincial positions are on each of those three issues: the tax collection agreements, established program financing, and equalization. That would undoubtedly be the first of quite a number of meetings.

MR. R. SPEAKER: Mr. Chairman, to the minister. I believe a parliamentary committee is meeting in Edmonton on Monday. Is the minister or a member of the government planning to make a submission to that committee?

MR. HYNDMAN: Yes, a task force will be in Edmonton this coming Monday, June 1. As has been consistent with respect to the approach of this government, and as four other governments in the country have decided, we will not be making a formal submission. These are areas which should be dealt with on the basis of negotiation between governments. However, a number of my colleagues and I will be meeting socially and informally with the task force, and we will be sharing the Alberta position with them.

MR. R. SPEAKER: Mr. Chairman, one of the items I raised in question period was the corporate tax form. Is it an inopportune time at this point to look at some of the legislative changes that may come in at a later date, or the types of things that could be done? What are the options open to the minister — maybe that's a better question at this point — in terms of providing benefit to our corporate business men across the province?

As I was mentioning in question period, many of the businessmen are concerned about the fact that they have to fill out the form. They don't see the benefit. They feel it's an expense that's a bit unwarranted. I've had a number say that. They're saying, what are the benefits? If the minister could clarify that to some extent, I think it would be productive and worth while.

MR. HYNDMAN: Mr. Chairman, one of the first specific elements of flexibility we were able to use that Act for was of course the rental tax credit. Members will recall that some 18 months ago the federal government cancelled the multiple-unit residential building benefit, and that very severely dropped the number of new housing and accommodation units in the province. We were able to use the new-found flexibility in the Act to move ahead on that and stimulate parts of the Alberta housing industry.

As I indicated, the corporate tax Act comes into effect in two phases. The first phase is now in effect for this fiscal year. As we indicated, the benefits are essentially going to be long-term ones. In hearing briefs from various commercial and business associations across the province over the past decade, there is no question that they have stressed they have significant difficulties in competing against the very large — for example, international — companies in the areas of processing and upgrading. We feel that using the new-found flexibility of the Alberta corporate tax and business incentive plan — hopefully with an announcement this year and legislation brought to the Assembly next spring — such tax measures, credits, and benefits which could perhaps increase the processing, increase the extent to which those businesses can compete in the province, assist those which have opportunities to sell abroad in the export area, but can't get the export assistance; companies which would like to spend and receive a tax benefit for research and

development on areas of business which have future opportunity in Alberta; those could be some of the areas in which we'd move.

The procedure will carry forward over the next number of months. The Member for Edmonton Whitemud has chaired a caucus committee which will be presenting a number of ideas. They listened to and met with a significant number of business groups over last summer. I'm sure many of those ideas will find their way into proposals to the Assembly within months.

MR. R. SPEAKER: Mr. Chairman, to the minister. This is rather a different question, a new policy direction. Has the government considered a bank of Alberta as a program of the government, or some type of facility outside the treasury branches, so that we have a little more control over credit in the province of Alberta?

MR. HYNDMAN: Well, we rather lean towards the treasury branches, Mr. Chairman, as I'm sure the hon. gentleman and his predecessors would as well. It has served Alberta very well. It's now moving in on \$2 billion of activity per year. We feel that the rather wide-ranging activities of the treasury branches right now — which are almost on a line-by-line basis equal to those services which can be provided by the chartered banks; in some cases, better than those services — are adequate, and that the treasury branches have a high degree of credibility with Albertans. They provide a special role in rural Alberta. At the moment we feel they fill the role, and there's no need to actively consider the goal suggested by the hon. member.

MR. R. SPEAKER: Mr. Chairman, just in terms of remarks, I would say that the originator of our Sacred Party, if he were here, or could be here in spirit, would be proud of the statement you've made this evening and would certainly give the government and the minister full credit for carrying on such a financial institution.

MR. HYNDMAN: Yes, and I'm sure Mr. Aberhart would not want to see any new banks in Alberta either.

MR. SINDLINGER: Mr. Chairman, to the minister. There are many differences between the banks and the treasury branches, but one that I can see is the fact that the banks can take the profits they earn and reinvest them in their activities, so they can expand their services to the people they do business with. On the other hand, it's my understanding that the profit the treasury branches earn comes back into the general revenue of the government and, in a sense, limits the ability of the treasury branch to expand its services. Could consideration be given to allowing the treasury branches to keep their profit and plough it back into their activities, and thereby put it on a footing similar to that which the banks have; that is, the pursuit of profit as an incentive to expand and develop?

MR. HYNDMAN: Mr. Chairman, actually the treasury branches retain one-half of the profit earned, and one-half goes into the general revenue fund of the government. The purpose of that approach, which admittedly is somewhat rough and ready, is to ensure that the treasury branches, as one of the few and uniquely competitive business institutions as an arm of government, are on a footing equal to that of their competitors, the chartered banks of the country.

We don't feel it would be appropriate if the treasury

branches were in a position of having a major leg up, if you will, in competition with the chartered banks, that their situation with respect to costs and profits should be roughly equal. Therefore that is the approach which was taken. I'm sure that some in the treasury branch, having worked very hard to achieve a profit every year, would like to be able to retain all that profit, but this general approach of retaining half and giving half to the general coffers of the government has worked well so far, and we would probably continue it for the immediate future.

Agreed to:

Department Total	\$2,157,020
2 — Statistical Services	\$2,122,100
3 — Revenue Collection and Rebates	\$36,947,700
4.1 — Financial Management and Planning	\$24,124,000
4.2 — Employee Insurance and Compensation	\$6,271,000

MR. SINDLINGER: Mr. Chairman, I'm sorry. We're going so quickly. I missed something on 4.1. May I ask a question please in regard to that?

HON. MEMBERS: Agreed.

MR. SINDLINGER: It's in regard to 4.1.3, fiscal policy and economic analysis. My question to the minister is whether there is an analytical model set up which would analyse the various proposals that come up from time to time in regard to energy pricing and revenue sharing. The reason I'm asking that is I wonder whether the proposal presented by the federal energy minister on April 13 could have been plugged into an analytical model this department might have had. I guess the question essentially would be: does the department have a model in place that could be in operation from day to day, given new energy proposals, so there would be almost instant analysis?

MR. HYNDMAN: Yes, there is almost that instant analysis, Mr. Chairman.

[Mr. Appleby in the Chair]

MR. SINDLINGER: The next question then, Mr. Chairman, would be in regard to the meetings the government held subsequent to the April 13 presentation, the meetings which I understood were held in Jasper and went on for some time. I'm wondering why the meetings took so long if there was such a model in place? Perhaps while the minister is addressing this question, he might indicate what other ministers were there assisting in the analysis, if that's possible?

MR. HYNDMAN: Analytical models are helpful tools, Mr. Chairman, but there's no magic in them. They are only as accurate as the people who offer the judgment decisions that go into them. Therefore we rely on them as one of a number of tools. Certainly a number of scenarios are constantly being devised, developed, and assessed. That exercise continued at Jasper. So I think it's nothing unusual in the sense that, not only with respect to the energy matters but a host of other areas of government forward planning, those approaches are used, realizing that there's no particular magic in them and there has to

be a great deal of judgment involved in how they are programmed with the original information.

MR. SINDLINGER: Mr. Chairman, again in the same regard. When the federal energy proposals are analysed, I expect there would be a task force in place, comprised of many different ministers and departments, analysing their proposal. My question is: is there one particular department that takes the chairmanship of that task force? The reason I'm asking is because the function of one of your departments is to analyse the economic impact of government programs and policies. I wonder if it's your department that assumes the chairmanship and makes the overall analysis, or is it the Department of Energy and Natural Resources?

MR. HYNDMAN: Mr. Chairman, the overall economic assessments and work in that area is carried on, and has been for many years, through the leadership of the Treasury Department. I suppose that is reflected in the Provincial Treasurer being chairman of the economic planning committee of cabinet. However, with respect to these energy negotiations, the Minister of Energy and Natural Resources also plays a very significant role with regard to information coming in that is related more or less directly to the energy area. There's very much a joint approach taken to the development of scenarios and the running of figures and numbers for future planning.

MR. SINDLINGER: Mr. Chairman, could the minister indicate what other ministers were at Jasper on April 13 assisting in the assessment of the federal proposal?

MR. HYNDMAN: I think a motion for a return was accepted on that point. Not having my colleague the Minister of Energy and Natural Resources here, who agreed to the question, the answers to which will provide all that, in order to be sure we're completely accurate, I think the best way is to wait for the answer to that return.

MR. SINDLINGER: Mr. Chairman, if I recall the motion correctly, it dealt with people from the private sector, outside consultants, attending the meetings in Jasper and assisting in the assessment. My question is just directed toward ministers of the Crown who attended the assessment.

MR. HYNDMAN: All who were at the meeting were ministers of the Crown and public servants.

MR. SINDLINGER: Mr. Chairman, I just have to ask: could you indicate who they were, sir?

MR. HYNDMAN: They were from the appropriate departments, including me, the Minister of Energy and Natural Resources, and the Premier, to name three.

Agreed to:

Total Vote 4 — Financial Management, Planning and Central Services	\$30,395,000
Total Vote 5 — Public Debt Service	\$21,653,300
Total Vote 6 — Public Service Pension Policy	\$326,883
Vote for Salary Contingency	\$67,000,000

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPELBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions and reports as follows:

Resolved that the following sums be granted to Her Majesty for the fiscal year ending March 31, 1981, for the following purposes and departments: \$116,814.91 for support to the Legislative Assembly, for Legislative Assembly; \$29,007,400 for assistance to higher and further educational institutions, for Advanced Education and Manpower; \$6,327,777 for manpower development and training assistance, for Advanced Education and Manpower; \$5,300,000 for financial assistance to students, for Advanced Education and Manpower; \$3,889,000 for departmental support services, for Agriculture; \$27,350,000 for production assistance, for Agriculture; \$1,000,000 for rural development assistance, for Agriculture; \$100,000 for legal service, for the Attorney General; \$131,400 for gaming control and licensing, for the Attorney General; \$864,567 for regulation of securities markets, for Consumer and Corporate Affairs; \$295,000 for cultural development, for Culture; \$1,500,000 for international assistance, for Culture; \$2,644,481 for 75th Anniversary celebrations, for Culture; \$20,000 for economic development and international trade, for Economic Development; \$17,745,000 for financing — economic development projects, for Economic Development; \$1,278,025 for regular education services, for Education; \$11,775,850 for departmental support services, for Energy and Natural Resources; \$13,037,000 for minerals management, for Energy and Natural Resources; \$35,500,000 for forest resources management, for Energy and Natural Resources; \$610,000 for fish and wildlife conservation, for Energy and Natural Resources; \$117,000 for petroleum marketing and market research, for Energy and Natural Resources; \$79,360,510 for pollution prevention and control, for Environment; \$129,838,450 for land conservation, for Environment; \$21,500,000 for water resources management, for Environment; \$620,000 for personnel administration, for Executive Council; \$76,781.86 for disaster preparedness and emergency response, for Executive Council; \$568,000 for intergovernmental co-ordination and research, for Federal and Intergovernmental Affairs; \$260,000 for government transportation, for Government Services; \$228,000 for public affairs, for Government Services; \$10,826,000 for health care insurance, for Hospitals and Medical Care; \$40,904,703 for financial assistance for active care, for Hospitals and Medical Care; \$6,333,140 for financial assistance for long-term chronic care, for Hospitals and Medical Care; \$1,262,286, for financial assistance for supervised personal care, for Hospitals and Medical Care; \$20,920,000 for planning and implementation of construction projects, for Housing and Public Works; \$300,000 for policy development and financial assistance for housing, for Housing and Public Works; \$2,620,200 for housing for Albertans, for Housing and Public Works; \$770,000 for financial support for municipal programs, for Municipal Affairs; \$5,620,000 for Alberta property tax reduction plan rebates to individuals, for Municipal Affairs; \$266,475 for regulatory boards, for Municipal Affairs; \$300,000 for co-ordination of northeast Alberta programs, for Municipal Affairs;

\$3,340,000 for recreation development, for Recreation and Parks; \$352,800 for provincial parks, for Recreation and Parks; \$4,632,380 for departmental support services, for Social Services and Community Health; \$82,510 for social allowance, for Social Services and Community Health; \$7,727,810 for child welfare services, for Social Services and Community Health; \$2,025,400 for vocational rehabilitation services, for Social Services and Community Health; \$6,906,490 for services for the handicapped, for Social Services and Community Health; \$235,000 for treatment of mental illness, for Social Services and Community Health; \$177,540 for general health services, for Social Services and Community Health; \$11,293,793 for community social and health services, for Social Services and Community Health; \$4,088,355 for law enforcement, for the Solicitor General; \$500,000 for motor vehicle registration and driver licensing, for the Solicitor General; \$75,000 for development of tourism and small business, for Tourism and Small Business; \$15,300,000 for construction and maintenance of highways, for Transportation; \$510,000 for construction and operation of rail systems, for Transportation; \$260,000 for construction and maintenance of airport facilities, for Transportation; \$10,500,000 for urban transportation financial assistance, for Transportation; \$160,000 for departmental support services, for Treasury; \$1,712,066 for public service pension administration, for Treasury; \$700,000 for departmental support services, for Utilities and Telephones; \$29,415,000 for utilities development, for Utilities and Telephones; \$7,000,000 for natural gas price protection for Albertans, for Utilities and Telephones; and \$5,000,000 for salary contingency, for Treasury to transfer to other votes.

Mr. Speaker, the committee also reports that: resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding the following for the Department of the Treasury: \$2,157,020 for departmental support services, \$2,122,100 for statistical services, \$36,947,700 for revenue collection and rebates, \$30,395,000 for financial management, planning, and central services, \$21,653,300 for public debt service, \$326,883 for public service pension policy.

Also resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1982, sums not exceeding \$67,000,000 for salary contingency.

MR. SPEAKER: Having heard the report, do you all agree?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, I wonder if the Assembly would agree to revert to Introduction of Bills in order that the Provincial Treasurer might introduce the appropriation Bill.

HON. MEMBERS: Agreed.

head: INTRODUCTION OF BILLS (reversion)

Bill 47 The Appropriation Act, 1981

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill No. 47. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been

informed of the contents of this Bill, recommends the same to the Assembly. This is The Appropriation Act, 1981, which appropriately follows completion of consideration of the estimates.

[Leave granted; Bill 47 read a first time]

MR. CRAWFORD: Mr. Speaker, tomorrow we'll be beginning with second readings of Bills. Subject to the availability of the sponsors of those Bills, they would basically be in order, starting with Bill No. 15.

[At 10:34 p.m., on motion, the House adjourned to Friday at 10 a.m.]

