

**LEGISLATIVE ASSEMBLY OF ALBERTA**Title: **Tuesday, June 2, 1981 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **PRESENTING PETITIONS**

MR. NOTLEY: Mr. Speaker, I beg leave to present the petition of some 1,553 residents of the city of Fort McMurray and area requesting that as soon as possible, the Legislative Assembly make amendments which would delete sections 27 and 28 of The Employment Standards Act.

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

MR. KNAAK: Mr. Speaker, as chairman of the Private Bills Committee, I wish to report that the committee has had under consideration Bill Pr. 7, The Edmonton Ambulance Authority Act, and recommends that it be proceeded with, with certain amendments. I move that this report be concurred in.

[Motion carried]

MR. SPEAKER: I have the honor to table a report by the select committee on the constitution. Copies will be available for members and members of the press gallery within the hour.

head: **TABLING RETURNS AND REPORTS**

MR. BOGLE: Mr. Speaker, I'm pleased to file an interim response to the Ombudsman's report on foster care, made public on March 13 this year; as well, to file the annual report of the Citizen's Resource Centre of southwestern Alberta; and to table the annual report of the Department of Social Services and Community Health for the fiscal year ended March 31, 1980.

MR. SPEAKER: May the hon. Minister of Labour revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF VISITORS**

MR. YOUNG: Mr. Speaker, it's my pleasure today to introduce to you and to members of the Assembly some gentlemen in your gallery. I've had the pleasure of having a brief meeting with the president of the central committee of the heavy engineering workers' union of Russia, Mr. Nickoli Zinovev. Accompanying Mr. Zinovev is Mr. Sovatov, who is the head of the international department of the central committee. They are hosted by the presi-

dent of union Local 488 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe-fitting [Industry of the United States and Canada], Mr. Robert Blakely, accompanied by Mr. Walter Doskoch.

Mr. Speaker, if I may take the additional opportunity, Mr. Ross McBain, the newly appointed chairman of the Labour Relations Board, effective June 1, is in your gallery, as is the Deputy Minister of Labour, Mr. Al Dubensky. I ask that they receive the welcome of the Assembly.

head: **TABLING RETURNS AND REPORTS***(continued)*

MR. K O Z I A K : Mr. Speaker, it's my pleasure to table the annual report of the Automobile Insurance Board for the year ended December 31, 1980.

MR. SCHMIDT: Mr. Speaker, I wish to file a reply to Motion for a Return No. 120.

MR. HYNDMAN: Mr. Speaker, I wish to table a reply to an order for a return No. 116, concerning the qualifications and experience of Alberta Heritage Savings Trust Fund senior service investment staff.

MR. McCRAE: Mr. Speaker, I'd like to table answers to motions for returns 129 and 130.

DR. McCRIMMON: Mr. Speaker, I'd like to table the answer to Motion for a Return No. 117, asked for by the Leader of the Opposition.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. MANDEVILLE: On your behalf, Mr. Speaker, I'd like to introduce to the members of the Legislature 50 grade 6 students from Rio Terrace elementary school in your constituency, Edmonton Meadowlark. They are accompanied by their teacher Mrs. Millions. They're in the members gallery, and I'd ask them to rise and receive the recognition of the House.

MR. MAGEE: Mr. Speaker, today it gives me great pleasure to introduce 40 grade 6 students from the Annie L. Gaetz elementary school in my constituency of Red Deer. Annie L. Gaetz is a very famous name in our community, because she was one of the original ladies who came to the Red Deer crossing. The school was named in her honor. I'd like you to welcome the 40 students who have come with Mr. Ron Hitchins, Mrs. Ganger, Mrs. Walters, Mrs. Hensby, and Mrs. Willoughby.

MR. SCHMID: Mr. Speaker, today I would like to introduce to you and to the members of this Assembly 36 grade 8 students from St. Mary's high school in the constituency of Edmonton Avonmore, accompanied by their teachers Mrs. Hunt and Mr. Rissling.

I want to say that St. Mary's is known as one of the outstanding community schools in Alberta and is celebrating its 25th anniversary this year. I would like to have the students and teachers convey our congratulations to Mrs. Winton, the principal, and all teachers and students. They are in the public gallery, and I would ask them to rise and be recognized by the Assembly.

Mr. Speaker, I also have the pleasure to introduce to the Assembly and to you Mr. Wes McMillan, a grade 12 student from Bonnie Doon high school, who last week was awarded the R.V. Clark outstanding citizenship award. Wes was also chosen by the Lion's Club to be their representative on a student exchange program to Japan for six weeks, leaving July 11. He's presently learning to speak Japanese and is becoming quite proficient in that language. Wes was vice-president of the students' union in the past year. He's certainly a young man of whom we can all be very, very proud. He's seated in the Speaker's gallery, along with his friend Gordon Wyatt and Mr. Arthur Rendfleisch from the planning and research secretariat of Alberta Agriculture. I ask them to rise to be welcomed by the Assembly.

MR. NOTLEY: Mr. Speaker, I welcome the opportunity today to introduce a person in the public gallery who I know will be well known to Edmonton members of the Assembly, Mr. Hugh Harvey. For a number of years Mr. Harvey was the executive director of the Edmonton United Way. I would ask Mr. and Mrs. Harvey to stand and be recognized by members of the House.

#### head: ORAL QUESTION PERIOD

##### Interest Rates

MR. R. SPEAKER: Mr. Speaker, supposedly the session will end today, maybe; we don't know. One of the themes of the opposition in question period has been accountability. I think two areas are uppermost in the minds of Albertans at the present time. Today I'd like to direct my attention to those two questions.

The first question is to the Provincial Treasurer, with regard to the concern of Albertans and interest rates. In light of the comment the minister made in the press releases, that the ministers of western Canada would like to meet at the earliest opportunity with the Minister of Finance, has a meeting been established at this time? Will interest rates be one of the top priority subjects discussed? If the meeting hasn't been established or will be, has any formal letter or initiative been taken to set up the meeting with the federal government?

MR. HYNDMAN: Mr. Speaker, the arrangement, which was made yesterday following the meeting of the four western Canadian provincial ministers of finance and provincial treasurers, was that the chairman of the meeting, the Hon. Hugh Curtis, the Minister of Finance for the province of British Columbia, on behalf of the four of us, would send an immediate request to Mr. MacEachen in Ottawa, indicating that we were available and that it would be in the western and indeed in the national interest for a meeting to be held as soon as possible. I don't know whether a response has been received yet. I assume the hon. Mr. Curtis would be sending out that request today or very shortly.

On the second question, yes, I think the topic of interest rates would be one of those front and centre on the agenda. If Mr. MacEachen can be persuaded to join a meeting, we would certainly vigorously put forward the positions of this government on the matter of interest rates, as we have in the past weeks.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister with regard to the preparation of the

Alberta government on behalf of Albertans. Has the minister or the government in place a formal mechanism for monitoring interest rates on an ongoing basis, looking at such things as mortgages, the bankruptcy rate, foreclosures, and loans? Would it be possible for the minister to have that kind of material available not only for that presentation to Ottawa but to us as members of the Legislature, to be kept totally in tune with what is happening throughout the summer on a monthly basis?

MR. HYNDMAN: Mr. Speaker, I would think that most members of the Assembly would keep in touch, following their individual responsibilities in their particular constituencies, talking with various people in the financial area and with constituents, to get their impressions of the nature of the problem.

Certainly within the Treasury Department, for example, we get regular reports from the eyes and ears represented by the managers of the treasury branches throughout the province. From time to time they are able to provide information that shows whether there are changes in the various trends. Similarly, other departments within government can do the same. That monitoring — and I stress it would be an informal monitoring — would continue to take place. Such information as is available would be incorporated into a submission which the Alberta government would make if there is a meeting with Mr. MacEachen. I might mention that to date there's been a visible degree of reluctance on the part of the federal government to meet with the other finance ministers.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, and this is whether or not there is a meeting and whether formal procedures can be put in place. The problem is very clear: the interest rates are too high. Is the minister considering any kind of formal monitoring arrangement, through the ministers or a cabinet committee; so a formal document can be presented or made available to us as members of the Legislature? Is the government doing that kind of thing, or is it just going to be this continued casual approach to a major problem in Alberta at the present time?

MR. HYNDMAN: Mr. Speaker, as I've indicated, we view it as a major problem, bearing in mind that essentially all the monetary levers and most of the fiscal levers are under the control of the central federal government. However, the monitoring arrangements which have taken place in the past have worked very well. I don't think hon. members want, and I hope the Leader of the Opposition isn't suggesting, a major new acquisition of 20 or 30 civil servants to require some sort of formal monitoring. We're not going to go in that direction; we don't want to interfere with small business. Therefore, we would continue what we think has been a very effective monitoring role, and we'll update it from time to time as necessary.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. Twenty thousand have already been added by the Conservative government; we don't need another 20,000.

What kind of monitoring is the minister doing to inform himself well on the implications of high interest rates? To this point in my questions, Mr. Speaker, the minister has indicated that it's gut reaction. Maybe we need something just a little more formal. Is the minister

doing something to assure himself of the implications and, secondly, on behalf of Albertans to be able to make a presentation to Ottawa that is based on the actual situation in Alberta? That's what we as Albertans are asking. Can the minister do that?

MR. HYNDMAN: Again, Mr. Speaker, a great deal of information — hard facts, trends, and opinions of various people in the business, farming, professions, and other communities in the province — is constantly flowing into the government. That is the basis and the factual base on which, for example, the selective programs which have rifled in assistance to farmers and small business men in the province have been initiated. We've been following up on that, and you can be sure that any submissions made by the provincial government will use that information.

MR. R. CLARK: Mr. Speaker, a supplementary question to the minister. What is the result of the information that has been flowing to the minister through this rather nebulous gathering system, of the effects of interest rates on couples trying to remortgage homes at this time? What's the latest information the government has as to the effects those interest rates are having on young people being able to retain their homes?

MR. HYNDMAN: Mr. Speaker, I think the latest information is as stated by my colleague the Minister of Housing and Public Works not 10 days or two weeks ago, when he indicated that there was no available hard evidence at the moment — none that was coming in from the various private mortgage companies or the CHMC or other mortgage companies — to indicate at that time that any very serious problem was developing, or any names, dates, facts, times, and addresses of those who had problems of that kind. Of course he also noted that the increase in the equity of the various buildings involved could be very large. But everything is being monitored on a daily and weekly basis, and we will watch it very carefully. We've done so. If hard facts are available from the opposition, I'd like to receive them.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Through this monitoring system the minister says the government has in place, can the minister give us any indication as to the numbers of young people or families in this province who have lost their homes or had to give up homes over the past three months? Is that figure available at all any place in this whole information gathering system in the government?

MR. HYNDMAN: Mr. Speaker, as I recall, I believe the hon. Minister of Housing and Public Works indicated that there were no specific dates and examples of that having occurred in the three months prior to when he gave the information. That's the kind of thing we'll be monitoring. We'll get in touch with the private sector, with mortgage companies, and find out and assess what is happening and the trends, if any, in that area.

MR. R. CLARK: Mr. Speaker, to the hon. minister. Two weeks back, when the hon. Minister of Housing and Public Works answered that question, he knew of no examples. I take it today, then, that this government still doesn't know of any examples — not one single family in this province where young couples have not been able to meet the payments for their homes and have lost their

homes. Is that the result of this monitoring system? It's balderdash.

MR. HYNDMAN: The hon. member can get very excited, Mr. Speaker. If he is prepared, as the government is, to monitor from time to time through the private sector what is happening, then that information can be available. If the information becomes available, we would certainly assess it in our plans. But to date I've not heard one single factual situation from the opposition to indicate names, dates, times, and places for a large number of people who are seriously involved in that way. We'll watch it very carefully.

MR. R. CLARK: Obviously you don't have any either, or you'd list them today. [interjections]

MR. SPEAKER: Order please.

MR. HYNDMAN: [Inaudible] information, Mr. Speaker, and we'll continue to do so and to put into effect very progressive programs, responsive as we can be, remembering that the federal government is the one to ... [inaudible]. [interjections]

MR. R. SPEAKER: The minister can talk about all the things he wants us to table.

SOME HON. MEMBERS: Question.

MR. R. SPEAKER: Mr. Speaker, I'd like to go back to my original question, which was not answered. It's the normal procedure in this Legislature: we ask a straightforward question; [it's] never answered. That's the way this government looks at Albertans' problems. [interjections]

MR. SPEAKER: Order please. The normal procedure is for a question not to be asked more than once. As far as I know that's question period practice throughout the parliamentary system that we follow. Perhaps the hon. member wants to restate part of the matter, but the identical question would be out of order.

MR. R. SPEAKER: Mr. Speaker, my supplementary question to the minister: what formal mechanism for monitoring mortgages is in place in the Department of Housing and Public Works to provide substantial material that can be used as concrete evidence and good indicators to the Provincial Treasurer? Can the Provincial Treasurer outline what that formal mechanism is, so we're aware of it?

My colleagues can give you specific examples of mortgages that increased from \$600 to over \$850, from \$700 to over \$1,000. We can give you names and people if you want to see them. To the Provincial Treasurer: what is that formal mechanism so we can monitor for all Albertans in a crisis situation today relative to mortgages?

MR. HYNDMAN: Mr. Speaker, as indicated by my colleague, I think the resources of the Alberta Home Mortgage Corporation and the Alberta Housing Corporation provide that information on a continuous basis. As he also indicated, I think chances have to be taken by those who wish to renew mortgages, as to whether they want to renew it for one, two, three, or five years. I'd be happy to receive the foreclosure information from the hon. members opposite.

I think the best approach is to try to continue to rifle in support for those people who need it. I must say that I think Albertans are a little concerned about some of the financial suggestions by members of the opposition which would destroy the credibility of the financial institutions and the savings accounts of this province. [interjections]

MR. R. SPEAKER: Mr. Speaker, we think about Albertans.

My second question relates to the first, and it's ...

MR. SPEAKER: Order please. I believe the hon. Member for Edmonton Kingsway has a supplementary.

DR. PAPROSKI: Thank you, Mr. Speaker, and I have another supplementary after that. Recognizing that Alberta is now providing a wide range of support, to the extent of \$4,000 to \$5,000 a year for a family of four, to buffer inflation for all our citizens, and further to the discussion on the motion on interest rates, as I indicated at that time, I wonder if the minister would indicate to the House whether, if the high interest rates were to continue at the unprecedented rate, he would consider a rebate of, say, 4 or 5 per cent on existing conventional business or farm loans for one year, amounting to not below, say, 16 or 17 per cent, considering that the rate is now prime plus 2 or 3, which is 22 or 23 per cent for an amount of \$100,000 or \$200,000, to help them get over that hump?

MR. HYNDMAN: Mr. Speaker, I read with very considerable interest the submissions of the hon. member on that topic during debate in this Assembly on a recent Tuesday afternoon.

DR. PAPROSKI: Mr. Speaker, a supplementary. I didn't hear the response, but I'm sure he's considering it anyway.

Having said that, Mr. Speaker, will there be ... The members of the opposition are laughing, but as we all know it's a very serious matter. Will the minister and department also consider a rebate of, say, 5 per cent on existing mortgages that have to be renewed, not exceeding, say, \$50,000 or \$75,000, and not below 14 or 15 per cent, to be sure that the home-owners can stay in their homes if the existing rates continue?

MR. HYNDMAN: We'll certainly consider expanding the already progressive policies of this area.

MR. R. CLARK: No problem.

MR. R. SPEAKER: Everything's great in good old Alberta. We heard that 10 years ago. Everything's great: disaster today; worse tomorrow.

#### Energy Pricing

MR. R. SPEAKER: Mr. Speaker, my second question is to the Minister of Energy and Natural Resources and is related to the question about energy negotiations. As a result of the new federal taxes announced today, tomorrow Albertans will be paying 2 cents a litre, or 9 cents a gallon, more for gasoline and all petroleum products. With regard to the negotiations coming up on the 10th, could the minister indicate whether he sees any progress? Or are those negotiations just an interim, informal meeting with little result?

MR. LEITCH: Mr. Speaker, I don't know if I can add to the information I've already given the House. A meeting is scheduled in Banff for June 10. As I indicated in reporting on the meeting held in Winnipeg on April 13, at that meeting we had explored some new concepts and proposals in a general sense, but not in detail. I anticipate that we will be exploring them in greater detail in the June 10 meeting. What the result of that meeting will be, only time will tell.

Again, as we have indicated to the Assembly on a number of occasions, this government has always been anxious to reach an equitable agreement with the federal government. That has been so since this issue first arose in 1973. But I simply want to stress to the hon. Leader of the Opposition and members of the Assembly that in my judgment, the mere fact of an agreement isn't going to solve the very serious problems that face Alberta today on the energy issue. The terms of the agreement are going to be key, not the fact of the agreement. We will approach this meeting, as we have all others, in a serious attempt to reach an agreement that we would consider fair and equitable to Albertans.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister, with regard to the cost to Albertans. The indications are that 2 cents a litre or 9 cents a gallon is a significant cost to Albertans and a fair burden. Could the minister indicate what that projected cost may be to the consumer in Alberta?

MR. LEITCH: Mr. Speaker, that depends on the volume of the products used in Alberta on which the tax is imposed. In percentage terms, it is roughly 10 per cent of the products used in Canada. That's higher than our percentage of the population, largely due to the fact that there's a higher level of economic activity in the province than in other parts of Canada. As to the actual dollars, I don't have those in my head. It's a matter of working them out.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has the government had an opportunity to make any representation to Ottawa? It's my understanding that as a result of the lowered use of energy and the levy put on last time, there is in fact a surplus. I believe it's a fairly substantial amount of money, almost \$200 million. Has the government of Alberta determined whether it is even necessary for Ottawa to increase this levy?

MR. LEITCH: Mr. Speaker, I think the hon. member is going to have to be a little more specific in his question. We're not in the business of determining what is necessary for the federal government to do by way of taxation. That is a federal decision. We certainly have views on whether or not it should be done.

In respect of the levy which is imposed to pay for the difference between the price at which Alberta oil would be sold and the price paid for a replacement barrel, I don't know that it matters how much is used within Canada. As I explained in the question period yesterday, if a single barrel less is produced in Alberta, it means it must be replaced by an imported barrel. If we reduce our production by as much as a single barrel, it means that that barrel has to be imported, because we are not self-sufficient in oil. We import a certain level of oil regardless of the production level of Alberta. So once Alberta reduces its production, there has to be an imported oil

purchase for the extent of that reduction. That purchase price is now roughly \$43 Canadian. As I stressed during a recent question period, in July 1980 Alberta offered to sell the oil we are not now producing at roughly \$20 per barrel.

MR. NOTLEY: Mr. Speaker, a supplementary question, as a result of issues raised in the House of Commons by the minister's federal colleagues. The question relates to whether or not the government of Alberta has assessed whether the levy announced two months ago is in fact greater than need be and, as a consequence, is yielding more money than is necessary to make up the difference. I understand that's the allegation made. There's a difference of some \$180 million. Have we had an opportunity to assess the revenue projections from that levy, and is the government satisfied — or is it the impression of the government, to put this in perfectly parliamentary form — that only the amount necessary to make up the difference is being charged, and not additional?

MR. LEITCH: Mr. Speaker, a number of levies are imposed by the federal government in addition to the purchase of replacement barrels for Alberta's reduction cutback. For example, there's the tax imposed to finance the Petrofina purchase. A tax has also been proposed to pay a part of the import compensation bill, which was formerly paid out of the federal general revenue account and is now being paid in part by that special levy.

I gather the hon. member is asking whether the specific levy assigned to pay the cost of repurchasing on the foreign market the barrels Alberta is not now producing. I've simply not done the calculation or ascertained whether or not that is the correct figure.

In connection with the level of federal taxation, I might just call to the attention of members of the Assembly that since October 28, the price at the refinery — that is, the price the consumer ultimately pays — has gone up about \$7, of which \$1 has gone to Alberta and \$6 has gone to the federal government by way of additional taxes.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister, with regard to the attitude toward the negotiations. I raised the question a couple of weeks ago, and at that point it seemed there was doubt as to whether we would be able to reach any kind of agreement. The minister has had 10 days now to study some of the material further. Just as his general impression, is there more optimism at this point in time with regard to reaching an agreement or not?

MR. LEITCH: Mr. Speaker, I suppose the hon. Leader of the Opposition would like us to start with a scale of one to 100 and maybe each day he could say, are you 22 today? Or 24, 25? I really don't know how much help that would be to you or to any other members of the Assembly.

I said earlier in the House that I wouldn't expect the meeting on June 10 to be conclusive one way or the other, and my view on it hasn't changed. The energy issues that are now forming part of what we could call the energy package are exceedingly complex, much more complex and numerous than they were prior to October 28, 1980. Frankly, I do not feel that they can be covered in a single meeting to reach a conclusion one way or the other. Nor do I expect we could reach conclusions on those issues even if a single meeting were extended for a number of days rather than one, because I would antici-

pate the discussion to proceed, then the need for time for reflection on what has been proposed, the content of the discussion, before a further meeting would be useful.

#### Oil Production Cutback

MRS. CRIPPS: A supplementary, Mr. Speaker. Can the minister indicate the length of time yesterday's cutback would take to affect directly the supply of gas at the pumps? Is there a month's supply on hand, or is yesterday's cutback affecting it tomorrow?

MR. LEITCH: Mr. Speaker, I'm not sure I can respond to that. As I said earlier, every time a barrel of oil less is produced in Alberta that might have been produced, the replacement barrel must be purchased on the world market at more than double the price. I don't know how long it takes those barrels to work their way through to the pump. Normally when we reached price agreements, historically there'd been a period of 30 or 60 days before the price increase showed up at the pump, and that was pursuant to an agreement. But I'm not sure the system would work the same with respect to imported barrels being purchased to replace Alberta barrels not being produced.

#### Environmental Research Centre

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the Minister of Environment. It's with reference to the recent announcement of the official opening of the environmental research centre in Vegreville, I would say the largest decentralization program of this government and a fulfilment of a commitment by our government to provide balanced growth to the province. Could the minister advise whether all plans have been finalized for the opening?

MR. COOKSON: Mr. Speaker, I can do that. I can assure the Member for Vegreville that he's going to be chairman of the official opening.

MR. BATIUK: A supplementary. Could the minister advise whether he has invited or his intentions are to invite all the members of the Legislature to attend the function?

MR. SPEAKER: Possibly the hon. minister could deal with the question briefly, without listing all the members who are invited and without going into all the details of the program.

MR. BATIUK: Mr. Speaker, I didn't ask the minister to point out every member. I said all the members. I would have hoped all the members of the Legislature. Could the minister answer that?

MR. COOKSON: Yes, Mr. Speaker, you're all invited. In the absence of the Premier, we've also invited him. He'll take part in the official opening.

MR. BATIUK: A supplementary to the minister. Could the minister advise of the progress of the function of the centre?

MR. COOKSON: The research centre is made up of about five distinct areas of environmental research. Our responsibilities will invade other departments of the gov-

ernment insofar as research work we'll be doing. In particular, we'll be helping out Agriculture in some of the work they do insofar as testing and this sort of work.

All five wings are well on the way to total production. I think it's a success story for the province to have initiated this particular project. It will become noted across Canada and probably North America insofar as its importance in research. We look forward to some real positive results coming out of the centre.

#### Federal/Provincial Agreements

MR. BRADLEY: Mr. Speaker, I'd like to direct a question to the hon. Minister of Federal and Intergovernmental Affairs. Can the minister advise the Assembly as to the current status of the negotiations between the province and the federal government with regard to DREE agreements?

MR. JOHNSTON: Mr. Speaker, to sum it up very clearly, the current status is stagnation, I suppose. We have been in the process of negotiating a new general development agreement with the federal government since the fall of 1980, when I met here in Edmonton with the Minister of Regional Economic Expansion, Mr. De Bane. Unfortunately, the progress over that period has been less than rapid.

We have had a continuous exchange of correspondence on some of the key issues that would fall under the general development, in particular the Alberta North Agreement and the Nutritive Processing Agreement, and we have held out our need for a tourism agreement similar to that found in other provinces. Unfortunately, the progress has not been very good. However, in the past week I have agreed with Mr. De Bane to sign an extension of the Nutritive Processing Agreement to allow that any unexpended funds in that vote could be extended to agricultural processing firms applying for assistance here in the province of Alberta. That is only a postage-stamp solution. We hope we can get some formal agreement between the province and the federal government very soon.

MR. WEISS: A supplementary, Mr. Speaker, if I may. Would the minister advise the Assembly if there will be an extension to the Alberta North Agreement as well?

MR. JOHNSTON: Mr. Speaker, the Alberta North Agreement does not expire until 1982. The present difficulty with that program is that some of the votes or subitems have been expended. Many members of the Assembly will be well aware of the expenditures we've made for sewer and water systems in some of the northern communities. We are now in the process of attempting to reallocate some of the some \$50 million which I believe was available under that fund. We are attempting to reallocate any remaining portions to different projects in northern Alberta.

MR. BRADLEY: A supplementary, Mr. Speaker. If I may preface my supplementary, Albertans are federal taxpayers, and since the federal government has signed tourism development agreements with a number of other provinces, can the minister advise if this further delay with regard to signing DREE agreements is further evidence of discriminatory action by the federal government against the province? [interjections]

MR. SPEAKER: Order please. That is clearly a matter of opinion, not a matter of fact.

MR. JOHNSTON: Mr. Speaker, I might just add that we have attempted to get an option for tourism expansion into the general development agreement. It's a matter of fact that tourism agreements do exist between the federal government and other provinces but do not exist with the province of Alberta.

#### Air Service to Small Communities

MR. MANDEVILLE: Thank you, Mr. Speaker. My question is to the hon. Minister of Transportation. The past Minister of Transportation was outlining a policy to provide third-level air service to some of our smaller communities. What progress has been made in providing air services to small centres like Lloydminster, Hanna, Brooks, and so on?

MR. KROEGER: Mr. Speaker, first of all, before we can institute that kind of service, we have to deal with the provision of air fields. We are doing that. I invite the Minister of Economic Development to comment on the progress, if any.

MR. PLANCHE: Mr. Speaker, we have just concluded a fairly comprehensive study of the varieties of ways we might encourage third-level carriers to service our smaller communities. We're going to give that some consideration and, hopefully, bring forward some kind of sense of direction that will be fair, equitable, and still encourage the private sector to service those communities.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Has either minister met with any of the small air transportation systems to see if they're willing to provide smaller centres with air transportation?

MR. PLANCHE: Yes I have, Mr. Speaker, over time. I'm not sure I've met with all of them, but I have certainly met with most of them. The difficulties are financing, fares, interchange of baggage, communication, ticketing, and one thing and another: all areas that other provinces and jurisdictions in North America have tried to accommodate through a variety of schemes, some with only varying degrees of success. We want to measure their experience and see if we can't have something appropriate to Alberta.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. Could the minister indicate, in a ballpark figure, what time line we're looking at in providing air service to some of our smaller communities?

MR. PLANCHE: As my colleague the Minister of Transportation indicated, some infrastructure needs to be put in place. The CTC ruling on some routes also needs to be settled. There is also the matter of financing aircraft by individuals and the amount of difficulty they're going to have. So the time line is difficult. But we understand the importance of it, and we're working toward that.

#### Special Warrants — Salary Adjustments

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Social Services and Community Health. It concerns Special Warrant No. 111 of 1981,

with respect to long-term child care institutions. The special warrant was approved to provide payment to employees in these private agencies for a pay adjustment in the period 1980-81. What time frame did the government set for passing on to employees this money for salary adjustments?

MR. BOGLE: Mr. Speaker, over the period October/November 1980, an assessment was done by the Department of Social Services and Community Health, with a variety of agencies in the province, to determine at exactly what levels the employees of those private agencies were able to fund their own employees doing comparable work to that being done in government-operated facilities.

The special warrants were drawn during the 1980-81 fiscal year to cover a period of time from April 1, 1980, through March 31, 1981. In the covering letters I signed, which went to the chairmen of the various organizations operating the facilities, we indicated it was our intention, in a very global way, to ensure that we would meet about 60 per cent of the needs to eliminate the disparities that had occurred. Of course in the budget for 1980-82, which was approved some weeks ago, that gap was totally eliminated.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister in a position to advise the Assembly whether Wood's Christian Homes in Calgary is the only agency that has not passed on the government funds designated to its employees? Or have other agencies not passed on this money in the form of benefits in the period the minister alluded to?

MR. BOGLE: Mr. Speaker, I'm not aware of any agencies which have not passed on the additional funding provided by government. Of course in my covering letter to the chairmen of the various boards, I made clear that the levels of funding provided by the agencies to their employees was a matter between the boards and the employees, but that they were subject to the normal auditing procedures by the Auditor General of this province, as is the government of Alberta.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Beyond the letter the minister sent, has the government taken any specific steps and have any procedures been designed so this money which was for salary adjustments, according to the special warrant, simply just doesn't go into the global budgets of the institutions? Mr. Speaker, I raise that because there is now a dispute, which the minister is probably aware of and which could even lead to a strike, because this money has not been passed on.

MR. BOGLE: Mr. Speaker, surely the member recognizes the responsibility of a duly elected board which operates a private, non-profit facility within this province, and the responsibilities between that board, as the employer, and its employees.

MR. NOTLEY: A supplementary question to the minister. Surely the minister recognizes that when a special warrant says one thing, that's what the money is to be used for. If the money isn't used for that purpose, the minister has a responsibility to make sure it is used for that purpose. Very specifically, my question is: what procedures have been established so the money allocated

according to Special Warrant No. 111 and signified for an increase in salary levels of employees is in fact going to be used for that purpose?

MR. BOGLE: Mr. Speaker, as I indicated earlier, the procedures were made clear in the covering letter to the boards. They are under the same scrutiny as are the departments of government, relative to the Auditor General of this province, if any funds are used for purposes other than for which they are intended. In a subsequent letter to agencies, it was also made very clear that any funds not expended for that purpose — because we had several agencies where there was an indication that employees had left prior to the drawing of the special warrant and they as agencies were having some difficulty ensuring that the funds would actually go to the former employees who were no longer in their employ.

In any event, the same requirements we find ourselves in as part of government are there for the agencies. If any moneys are used for purposes other than the intent of the special warrant, surely that is a matter which the Auditor General will deal with.

MR. NOTLEY: Mr. Speaker, supplementary question to the hon. minister. The Auditor General may very well make note of that. However, on something as clear as this, no government is going to wait until the Auditor General makes a report. Have any specific procedures been set out with respect to not only Special Warrant No. 111 but, while we're at it, special warrants 112 and 113, in the amount of almost \$5 million — this was for pay adjustments to employees and agencies which provide services to the handicapped and for treatment of mental illness. Very specifically, my question is: rather than waiting for the Auditor General to make a note, what criteria have been specifically applied to the allocation of these funds pursuant to these special warrants, in view of the very clear wording of the explanation for the special warrants?

MR. BOGLE: Two pieces of correspondence, Mr. Speaker, a letter from me and a letter from the deputy minister of the department, very clearly enunciating what the funds were to be used for and guiding the boards in that particular way. But as long as I am the minister responsible for Social Services and Community Health, I do not intend to dictate to various private, non-profit, volunteer organizations on the day to day management of their own operations.

MR. NOTLEY: Mr. Speaker, supplementary question. It's not a question of dictation. [interjections] It's a question of whether funds are going to be used as they are indicated when a special warrant is passed. My question to the hon. minister is very clear. Besides a letter — and I gather that letter is rather ambiguous — have any guidelines been developed? Is the minister saying that should this money be used for anything other than the purpose for which the special warrant clearly says, it will have to be returned to the general revenue of the province? Is that what the minister is saying?

MR. BOGLE: Mr. Speaker, I'll ensure that the hon. member receives a copy of my correspondence and that of my deputy minister, and he can judge for himself whether or not they are ambiguous.

MR. NOTLEY: Mr. Speaker, to the minister. Were there any guidelines in addition to the letter?

MR. BOGLE: Mr. Speaker, the same guidelines that apply to every department in this Legislature.

#### **Health Occupations Legislation**

MR. R. CLARK: Mr. Speaker, my question to the Minister of Social Services and Community Health deals with Bill 84, The Health Occupations Act, which was introduced last spring and approved in the fall session. I raise the question because a number of concerns have developed in the southern part of the province regarding proclamation of the Bill. Why has the Bill not been proclaimed? When does the minister expect that the Health Occupations Board will be in place?

MR. BOGLE: Well, Mr. Speaker, the two questions are interrelated in that there's no point in proclaiming the Bill until we're able to proceed with the Health Occupations Board. The hon. member may be aware that I sent a number of letters to a variety of professional and occupational groups, inviting them to nominate candidates who might be considered for appointment to the board. That screening process is ongoing at the present time. It's taken a little longer than we originally intended.

I might mention that some excellent nominations have been made, which were later than we originally anticipated. Before a recommendation is made to my colleagues on Executive Council, I want to ensure that we have the very best set of names. It is a nine-member board, as all members will recall. Once the names are ready for presentation and consideration, then of course consideration will be given to proclaiming the Bill. I assume that would occur in the very near future.

MR. R. CLARK: Mr. Speaker, to the minister. Has there been any reason other than getting the people the minister wants to sit on the board? I ask because it's now close to seven months since the legislation was approved by the Assembly.

I further ask the minister if there are plans for any health occupations to come under the ambit of this legislation? The minister will recall that any group that's going to come under the legislation has to come through the Legislature. Has the minister given a commitment to any organization, any health occupation, that in fact the minister is prepared to propose that group to be included in the fall session of the Legislature?

MR. BOGLE: Mr. Speaker, I doubt very much that any proposed amendments would be made to the legislation this fall. I advised a number of health occupations that they would be considered for inclusion under the legislation. But with the amendments which were accepted to the Bill, that would require a recommendation by the board. I would not want to prejudge the actions or activities of the board, and I do not believe it's realistic to expect that they might have recommendations for us by this fall.

The first question related to whether there were any other reasons the Bill has not been proclaimed. The answer is no.

MR. R. CLARK: Mr. Speaker, then one last question to the minister. At this time is it the minister's expectation that in fact the Bill will be proclaimed and that the

Health Occupations Board will be named and in place by the end of July?

MR. BOGLE: Mr. Speaker, I would not want to give a date, then find that we could not meet it for some reason unknown to myself today. Certainly I have indicated that it's our intention to move on it in the very near future. At this time I couldn't give a firm commitment on whether it's before the end of July or into August.

#### **Grain Exports to Nicaragua**

MR. NOTLEY: Mr. Speaker, in the absence of the hon. Premier, I'd like to direct this to the Minister of State for Economic Development — International Trade. It concerns the rather desperate wheat shortage in Nicaragua as a result of the decision of the United States government to not proceed with the export of wheat to that country. Especially in light of this government's much talked about initiatives with respect to international trade elsewhere, my question is: have any steps been taken to support the initiatives of church organizations as well as farm organizations to encourage the federal government to come quickly to the aid of the Nicaraguan government and provide the necessary wheat shortfall which is now urgently required?

MR. SCHMID: Mr. Speaker, not only does this government talk about international assistance, but we do something about it. In fact the highest per capita contribution in Canada by individuals in provinces is from Alberta, as well as by provincial governments, for international assistance to many countries in the world. We definitely are providing international assistance to other countries. I would have to take under advisement the specific matter raised, because I think it is still a matter of negotiation between the federal government and the Wheat Board.

MR. NOTLEY: Mr. Speaker, then a supplementary question to the hon. Minister of Agriculture. Is the minister in a position to advise the Assembly whether the government of Alberta would be willing to assist in financing this kind of contribution. Since the matter is now being negotiated, according to his colleague, and since the Wheat Board as well as the federal government are involved, has the Department of Agriculture in this province made any representation to Ottawa to move quickly on this matter. It's really a matter of some urgency. What steps has the minister taken, if any, to facilitate a move by Canada, with Alberta willing to participate?

MR. SCHMIDT: Mr. Speaker, in regard to moving quickly, on behalf of producers, through a sale through the Canadian Wheat Board, we have always offered all the assistance possible to make sure we can deliver. In regard to whether we as a province would share in the financial burden that would exist for the price of the wheat itself, perhaps the minister responsible for international aid would be more capable of answering the question. Although the Department of Agriculture would help expedite the movement of the basic commodity, international aid does not fall directly under the department.

MR. NOTLEY: Mr. Speaker, perhaps I could direct that to the hon. Minister of Culture, who I understand is in charge of that particular department. Has any consideration been given by the government to some form of



sharing in the assistance to get relief wheat to the people of Nicaragua?

MRS. LeMESSURIER: Mr. Speaker, at the present time no representation has been made to us. I will certainly look into the matter and work with my colleagues to see if there is representation for this.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Would the government look favorably upon representation by some other groups in the country now making representation to Ottawa? Would they be prepared to look favorably at such a submission to Alberta?

MRS. LeMESSURIER: Mr. Speaker, I think I just said that I would work with my colleagues to undertake that situation.

#### Unanswered Questions

MR. R. SPEAKER: Mr. Speaker, on a point of order. Just before question period completes, we as an opposition were promised answers to a number of questions. On the point of order, I'd like to raise the topics and the date — just for the record, not to debate them.

There was one on April 3, page 12, with regard to major cultural recreation funding; on April 3, page 10, government fiscal policies in terms of corporate concentration; April 9, page 114; Cold Lake; April 15, under hospital construction; April 23, page 279, with regard to a financial control manual to be tabled; April 29, page 408, the ratification of the premiers' agreement; and May 15, page 772, with regard to [hazardous] agriculture chemical spraying.

Mr. Speaker, we'd just appreciate the ministers' making that available when they have the opportunity through the summer, so we could have it.

Thank you.

#### Heritage Trust Fund Investments

MR. HYNDMAN: Mr. Speaker, just before the end of the question period, I was about to answer at least one if not more of those questions relating to my portfolio.

Firstly, on a previous occasion the Member for Bow Valley asked a number of questions about the Alberta Heritage Savings Trust Fund corporate debt program and wanted to know about investments made in 1980-81. There were two: one with Calgary Power Ltd. for \$20 million, a five-year term, with an interest yield at 14.25 per cent; and the other one was Bralorne Resources Limited, \$5 million, a 15-year term, with an interest and yield at 12.875 per cent.

Another investment was made after the end of the fiscal year and will be reported in the 1981-82 fiscal year. As well, in the months ahead we would expect that perhaps half a dozen of those kinds of investments would be available for review as possible investments by the Heritage Savings Trust Fund. Under this program, the heritage fund of course can only invest in securities that carry a commercial rate of interest and where other private sector investors have been involved, and they must be of good investment quality and backed by corporations with strong financial track records.

Another question was posed by the Member for Calgary Buffalo with regard to heritage fund investments outside the country. The first question he posed was

whether any investments had been made in securities, guarantees, mortgages, or documents of that kind from a country other than Canada. We have not invested in treasury bills or bonds issued by countries other than Canada. However, from time to time there have been investments under Section 9 in what are called swap deposits, which are investments with banks or other money market investments where the proceeds from the maturity of the investment are converted back into Canadian dollars. So that's a form of hedging in order not to be caught by problems which could occur from foreign investment. But there's no investment *per se* in the treasury bills or bonds of other countries. Similarly, the heritage fund does not hold any foreign currencies *per se* and no speculative investments in foreign currencies but from time to time does get involved in the hedging provision.

Mr. Speaker, his third question was whether the heritage fund invested in any mutual funds or real estate pools. The answer is no, although those kinds of investments will be considered as we move ahead with investments under the commercial investment division, which was approved by this Assembly last year.

#### Synchrude — Convertible Debentures

MR. HYNDMAN: Mr. Speaker, the third issue relates to questions posed yesterday, when I was away, by the hon. Member for Spirit River-Fairview, wherein he asked questions with respect to the convertible debentures, regarding the equity in Synchrude. The implication left was that some moneys were lost by the government over the past year. In fact exactly the opposite is true: there would have been losses if those convertible debentures had been in fact converted into equity. So any suggestion that any millions of dollars are lost is misleading and totally wrong.

#### Pothole Palaver

MR. KROEGER: Mr. Speaker, we have one bit of serious business to finish before the House adjourns. You will recall that some weeks ago . . . On a point of privilege, by the way. I did send you a note, Mr. Speaker, and you said it was okay. [laughter]

MR. SPEAKER: The hon. minister is an excellent ventriloquist. May I say that the note lacked certain specifics which the Chair would ordinarily welcome in getting notice of a question of privilege, but perhaps the hon. minister has in mind to add those specifics now.

MR. KROEGER: Thank you, Mr. Speaker. Yes I do.

You will recall that several weeks ago I came to this House with a letter and what could be a bribe, I suppose — there was cash attached. There's the letter; there's the cash. Because the money wasn't identified, I decided to send it to the press and invite them to do something with it. The answer I got was that they didn't take money from politicians, but they doubled the sum and sent it back. So now we have \$40. The suggestion or demand, possibly, from the press was that they would advertise for the worst road conditions in the province and that we should give the money to the best description we could get. I invited two members of the press and my executive assistant to be the editors and judges. The letters were checked; Now the plan is that we will give this money away at a dinner I will host, which will include perhaps six people from the press.

Since it was a province-wide contest and to see that the judges were fair and honest, I think the letter must be read into the record. If you'll bear with me for about a minute and a half, Mr. Speaker, this letter is dated April 27, 1981, addressed to me.

We, in the hamlet of Winfield, were really cheered to see your kind offer on television last night. As we feel we now have an answer to our problem.

We are quite sure we have the biggest chuck hole in Alberta. We are not sure if this offer included Ontario's chuck holes, as we could probably be beaten by them, as they are experts at figuring out ways [of] getting our money.

You can see by the enclosed picture that this hole took a long time to get this big. It all started back in 28, when Pot Cartier and Chuck Goltz each had a huge load of green spruce on. They both had stopped to water up at Shady's Bar. They got to arguing which had the best team. After being in there discussing this all day, they decided to have a contest. Now it was quite late in the evening when this happened because, as you probably remember, that wagon rolled better at night on the frost. So the fellahs sitting in there, said, anyway!

The grammar isn't great, Mr. Speaker, but that's the way it is.

Now they both had shod horses and it was raining, like it sometimes does in Winfield. In a short time, they had quite a mud hole churned up. As you probably gathered by now, which is still with us.

We don't want you to think for one minute that we have not tried to get this hole filled in.

In 1941, Joe Bush offered to go to Vermillion to get us a load of dry dirt. As his wife was living with someone out there and he might as well kill two birds with one stone. Well, we got all the leaders in Winfield together and donated him three dollars and a can of axle grease. Englers Hardware donated him a box of shells in case he ran into any Varmints. Now, to make a long story short, he was picked up coming through Wetaskiwin for speeding, as they had a 25-mile speed zone. When they checked him out he got life imprisonment. He promised us at the trial he would bring the dirt as soon as he got out. But it seems with all the speed he had on and those eastern roads being what they are, there isn't a full load left anyway.

Then in '47, with all those smart young fellers back from war, they had lots of ideas how to fix our hole. So back we went to the drawing board. We managed to scrape up enough money to send Jimmy Jackpine to the Saskatchewan River for a load of gravel. Now, Jimmy had a good four up and a fair gravel box. He loaded up at the river and it is quite a climb out of the valley. Being a hot day by the time he got to Buck Lake, he was mighty thirsty and hot. So while Jimmy sat in the bar and quenched his thirst, a bunch of the local business men, discussing important matters and playing horseshoes out back of the hotel, decided they needed our gravel worse than we did. So while one of those treacherous souls filled Jimmy with refreshment, the rest stole our gravel. Now when he came to leave, it was dark and he never noticed his load was gone. We are still negotiating with Buck Lake over the gravel.

We were going to apply to the Federal Government for some help in gravelling our hole, but thought better about it. Because if they find out we

have gravel in Alberta, they might ship it all to Ontario and Quebec and us farmers wouldn't have any farms left in this area. Then we had a meeting in Shady's Bar and decided to write our Provincial Government. They said if we could prove our chuck hole was worse than any other one any place, we would get some assistance. Now you must remember Alberta Social Credit Government was in the forties and fifties, giving Alberta to Calgary power. So we didn't have much left to give.

They sent two experts on pot holes up from Hanna, Dick Larcey and Doane Talarneau. These fellers had worlds of experience in pot holes and other things as well. But us people up here in the bush, figured we didn't get a square deal. It took them a week to get here as the dust was so bad on the way. When we met them in Shady's Bar, they said that was why their eyes were so red and they couldn't seem to see too good. They said there were lots better chuck holes than ours in Hanna. So we didn't get the ten dollars we applied for.

We were going to name our chuck hole and got a group out from Edmonton to help us but the day they arrived the Buck Lake fish derby was on and there was no one around. They got mixed up and thought the pot hole was further up and recommended to Alberta Housing that they build a Senior Citizens' Home on it to cover it up. We really appreciated their work, as that would have been the chuck hole of the next century.

Now, with inflation and everything included, we feel it would cost about forty dollars to repair this hole.

I don't know where they got that idea.

And we had the expert opinion of the engineers that did the Transportation Building in Winfield. So you see we are [really] informed. We decided against hiring the contractor that built the Transportation Building. We couldn't seem to talk to him in our language.

But Pot Cartier still has a four up of Mules and he said he would do the job for forty dollars. He is busy now getting new handles in his slip and fixing the hitch on his fresno. And all will be ready to go when the dry season comes in the fall. It will be with some regret as an old timer of Winfield that our pot hole will be filled. As it has been quite a tourist attraction for a number of years. And besides, nobody ever gets through it during the raining season. In fact, I'm not sure that Shady's Bar doesn't open their sewer up to keep [the thing] wet.

That is signed by Walter Kluczny from the Winfield Agricultural Society. We will send him an invitation, feed him, and give him the 40 bucks.

#### **Rotten Tie Award**

MR. KOZIAK: Mr. Speaker, the point of personal privilege on which I rise is going to be much shorter than the one previously addressed to the Assembly.

MR. SPEAKER: If the hon. member will rise high enough to be seen over the top of the pothole.

MR. KOZIAK: Winfield is not in my constituency, Mr. Speaker.

A certain event in this Assembly that transpires over the entire sitting bears my name. As a result, I must share

the results of that event with hon. members on this auspicious day in the spring 1981 session. A group of highly qualified individuals sit in the gallery behind you and are never introduced to this Assembly. They must look upon the events of this Assembly and record certain happenings. One of the records they keep is made under an entry called the Julian Koziak Rotten Tie Award. Certain decisions have been made, awarding first, second, and third prizes to members in this Assembly.

First of all, I would like to announce the winner of the third prize. That member is my colleague on my left, the Minister of Environment, the Hon. Jack Cookson. He is in fact wearing his prize. I'll yield the floor for a second.

MR. COOKSON: Mr. Speaker, as a true conservationist, I might say that this is a reflection of a conservative philosophy.

MR. KOZIAK: Mr. Speaker, the winner of second prize has left. I don't know whether he wants to share the grand news with his constituents. He is Mr. Adair, who sits behind me.

The winner of the first prize, Mr. Speaker . . . I don't think the prize is any worse than what we've been seeing during the course of the last 30 days. [interjections] He's a real clothes tree.

Accompanying the decisions awarding these prizes in each case is a "noose" release. I hope the hon. members of the press gallery have as much success in making sure these appear in the news media as members in this Assembly have with their own news releases.

**Pothole Palaver**  
(continued)

MR. MANDEVILLE: Mr. Speaker, on the point of privilege raised by the hon. Minister of Transportation, I'd just like to say — and I'm going to ask him for a request as well — when they had redistribution of boundaries, I had a little area in my constituency that they called the Dinosaur Trail. No one was able to get over it. So I recommended that they give up that part of my constituency to the hon. Minister of Transportation. I think the anonymous \$20 that started this little fun came from down in the area they call Dinosaur Trail. You can only get over with a dinosaur. I was never able to take care of my constituents down in that area, and that's the reason I gave it up to the hon. Minister of Transportation.

I'd like to make a recommendation. When he has this dinner, has the press out, if he takes up another collection, starts another fund, he could take care of what we call the Dinosaur Trail to Empress, so I could get down and see how all my old constituents are doing.

**ORDERS OF THE DAY**

head: **MOTIONS FOR RETURNS**

MR. HORSMAN: On a more serious note, Mr. Speaker, I move that Motion for a Return No. 137 stand and retain its place on the Order Paper.

[Motion carried]

MR. R. SPEAKER: Mr. Speaker, on a point of order, just to put it in the record. The answer to the one item I

raised on April 15, page 216, was delivered to my office, but it isn't recorded in *Hansard*. Maybe that's why I missed it. I would like to thank the hon. Minister of Hospitals and Medical Care for that response.

135. Mr. Notley moved that an order of the Assembly do issue for a return showing all audited annual reports of Syncrude Canada Ltd., provided to the government in accordance with its role as an equity participant in the Syncrude project for the years 1976, 1977, 1978, 1979, and 1980.

[Motion carried]

MR. CRAWFORD: Mr. Speaker, I thought that perhaps now might be the time to seek from the Leader of the Opposition the answer to the question he raised not long ago. He indicated that he did not know, as I do not, whether the Assembly will end today or at some other time. So I thought we'd find that out by asking whether or not the Assembly would grant unanimous leave to set aside the necessary provisions of Standing Order 63, which requires that the readings of each Bill take place on different days, in order that the four Bills which would be called for second reading would be able to progress through all necessary stages. The Bills in committee might also be allowed to proceed, both through that stage and through third reading. So through you, Mr. Speaker, I put that to the Assembly to seek unanimous consent.

MR. SPEAKER: Is there unanimous consent?

HON. MEMBERS: Agreed.

MR. SPEAKER: Anyone opposed? . . . It is so ordered.

MR. CRAWFORD: Mr. Speaker, another matter for unanimous consent would be the question of the period after the first hour. I might ask if hon. members wish to proceed with government business after the first designated hour.

MR. SPEAKER: Is there unanimous consent?

HON. MEMBERS: Agreed.

MR. SPEAKER: Anyone opposed? . . . It is so ordered.

head: **GOVERNMENT DESIGNATED BUSINESS**

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

**Bill 31**

**The Pension Statutes Amendment Act, 1981**

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 31, The Pension Statutes Amendment Act, 1981.

The amendments in this Bill are administrative in nature. They do two things. Firstly, they correct an oversight from last year and put the government, as an employer, in the same position as the employers within Crown boards and agencies. The agencies have been paying employer contributions since their employees entered the plan. This amendment provides for the setting

of the employer contributions by the government, and that those contributions be integrated with Canada pension plan contributions. Secondly, it amends The Universities Academic Pension Act by providing additional time for those participants who want to purchase increased pension benefits.

[Motion carried; Bill 31 read a second time]

#### **Bill 39**

##### **The Alberta Corporate Income Tax Amendment Act, 1981**

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill 39, The Alberta Corporate Income Tax Amendment Act, 1981.

The amendments in this Bill are not substantive. As announced previously, the new amendments to this Act, to provide the Alberta business incentives approach relating to upgrading and processing and perhaps other incentives, are being developed now and may be announced later this year for possible submission to the Assembly next spring. This Act, if passed, makes technical corrections and incorporates some of the recent changes in the Canada Income Tax Act. It also incorporates some of the provisions recently introduced in the federal small business deduction. The Bill also prevents the use of corporate partnerships to multiply the small business deduction, and that's effective for taxation years after December 11, 1979. That will enable and ensure that there's one deduction per business and not one deduction per owner.

[Motion carried; Bill 39 read a second time]

#### **Bill 47**

##### **The Appropriation Act, 1981**

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 47, The Appropriation Act, 1981.

I don't believe there needs to be a long introduction on my part with respect to second reading of this Bill, which follows the many weeks of review of the various estimates through Committee of Supply. This Appropriation Act of course reflects those reviews.

[Motion carried; Bill 47 read a second time]

#### **head: PRIVATE BILLS (Second Reading)**

##### **Bill Pr. 7**

##### **The Edmonton Ambulance Authority Act**

MR. MACK: Mr. Speaker, I move second reading of Bill Pr. 7. The Bill creates a non-profit body corporate to be known as the Edmonton ambulance authority.

[Motion carried; Bill Pr. 7 read a second time]

[On motion, the Assembly resolved itself into Committee of the Whole]

#### **head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)**

[Mr. Appleby in the Chair]

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

#### **Bill 11**

##### **The Alberta Municipal Financing Corporation Amendment Act, 1981**

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Bill?

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that Bill No. 11 be reported.

[Motion carried]

#### **Bill 56**

##### **The Mines and Minerals Amendment Act, 1981**

MR. CHAIRMAN: There are amendments to this Bill. I believe they have been circulated. Are there any questions or comments regarding the amendments?

MR. LEITCH: Mr. Speaker, it might be helpful if I explain to members of the committee the reasons for the amendments. There are two of them. One would add the provision requiring the keeping of documents for a five-year period, so that it would be applicable to former lessees as well as existing lessees. Of course that would be necessary to complete our accessibility to those documents we may need to carry out or check the calculations to which I had referred earlier.

The second portion of the amendment deletes those provisions of the Bill dealing with the system of registering transfers or financial transactions. As I outlined in second reading, Mr. Chairman, we had put this provision in the Act initially and were changing it, as proposed in the amendment, at the request of the oil and natural gas industry and the financial institutions. We have had a great deal of difficulty working out a system that everyone directly affected would be satisfied with. For that reason the provision had been in the Bill in a way that would only come into force upon proclamation. I've anticipated reviewing the provisions and proposed regulations in some greater detail with the industry and the financial institutions. I now feel that the better course is to delete them from this Bill. Then we will spend the summer reviewing those provisions and the terms of the contemplated regulations with the industry and the financial institutions, and bring them back in the fall with the anticipation that they would be passed then. In my view, Mr. Chairman, that would bring them into effect — if passed in the fall and assented to — at approximately the same time as they would be now. For those reasons I recommend the amendments to members of the committee.

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill 56, The Mines and Minerals Amendment Act, 1981, be reported as amended.

[Motion carried]

**Bill 31****The Pension Statutes Amendment Act, 1981**

MR. CHAIRMAN: Are there any questions or comments regarding any sections of this Bill?

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that Bill No. 31 be reported.

[Motion carried]

**Bill 39****The Alberta Corporate Income Tax Amendment Act, 1981**

MR. CHAIRMAN: Any questions or comments regarding the sections of this Bill?

[Title and preamble agreed to]

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

[Motion carried]

**Bill 47****The Appropriation Act, 1981**

MR. CHAIRMAN: Are there any questions or comments regarding the Bill?

[Title and preamble agreed to]

MR. HYNDMAN: Mr. Chairman, I move that Bill No. 47, The Appropriation Act, 1981, be reported.

[Motion carried]

head: **PRIVATE BILLS**  
(Committee of the Whole)

**Bill Pr. 7****The Edmonton Ambulance Authority Act**

MR. CHAIRMAN: We have an amendment to this Bill, which has been circulated to the committee members. Are there any questions or comments regarding the amendment?

[Title and preamble agreed to]

MR. MACK: Mr. Chairman, I move that Bill Pr. 7 be reported as amended.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of the Whole Assembly has had under consideration the follow-

ing Bills and reports as follows: firstly, Bill No. 45, reported yesterday, which was inadvertently omitted from the report sheet and should have been included; and today Bills 11, 31, 39, and 47, and Bill 56 and Bill Pr. 7 with some amendments.

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

HON. MEMBERS: Agreed.

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

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
1	The Provincial Court Amendment Act, 1981	Crawford (for Loughheed)
2	The Lloydminster Municipal Amalgamation Amendment Act, 1981	Topolnisky
3	The Livestock Diseases Amendment Act, 1981	Hyland
4	The Livestock Brand Inspection Amendment Act, 1981	Pengelly
5	The Department of Agriculture Amendment Act, 1981	Schmidt
6	The Attorney General Statutes Amendment Act, 1981	Crawford
7	The Family and Community Support Services Act	Bogle (for Magee)
8	The Credit Union Amendment Act, 1981	Koziak
9	The Department of Education Amendment Act, 1981	King
10	The Department of Housing and Public Works Amendment Act, 1981	Crawford (for Chambers)
11	The Alberta Municipal Financing Corporation Amendment Act, 1981	Hyndman
12	The Innkeepers Amendment Act, 1981	Campbell
13	The Department of Hospitals and Medical Care Amendment Act, 1981	Crawford (for Russell)
14	The Interprovincial Subpoena Act	Kowalski
15	The Municipal Government Amendment Act, 1981	Moore
16	The Municipal Taxation Amendment Act, 1981	Wolstenholme
17	The Police Amendment Act, 1981	Weiss
18	The Alberta Property Tax Reduction Amendment Act, 1981	Woo
19	The Election Amendment Act, 1981	Borstad
20	The Artificial Insemination of Domestic Animals Amendment Act, 1981	Lysons
21	The Department of Advanced Education and Manpower Amendment Act, 1981	Horsman

No.	Title	Moved by
22	The Manpower Development Amendment Act, 1981	Mack
23	The Alberta Heritage Scholarship Act	Horsman
24	The Motion Picture Development Act	Planche
26	The Engineering, Geological and Geophysical Professions Act	Crawford (for Chambers)
27	The Pipeline Amendment Act, 1981	Pahl
28	The Land Surveyors Act, 1981	Embury
29	The Water Resources Amendment Act, 1981	Batiuk
30	The Tobacco Tax Amendment Act, 1981	D. Anderson
31	The Pension Statutes Amendment Act, 1981	Hyndman
32	The Fuel Oil Administration Amendment Act, 1981	Stewart
33	The Senior Citizens Benefits Amendment Act, 1981	Bogle
34	The Dairy Industry Act	Fjordbotten
35	The Alberta Research Council Act	Musgreave
36	The Provincial Court Judges Act	Crawford
37	The Workers' Compensation Act, 1981	Diachuk
38	The Architects Amendment Act, 1981	Crawford (for Chambers)
39	The Alberta Corporate Income Tax Amendment Act, 1981	Hyndman
40	The Public Utilities Board Amendment Act, 1981	Knaak
41	The Alberta Educational Communications Corporation Amendment Act, 1981	Horsman
42	The School Amendment Act, 1981	Carter
43	The Business Corporations Act	Koziak
44	The Securities Act, 1981	Koziak
45	The Societies Amendment Act, 1981	L. Clark
46	The Employment Standards Amendment Act, 1981	Young

**Bill 47**  
**The Appropriation Act, 1981**

MR. HYNDMAN: Mr. Speaker, I move third reading of Bill No. 47, The Appropriation Act, 1981.

MR. R. SPEAKER: Mr. Speaker, I would like to make a few remarks with regard to Bill 47 in terms of the personality or what evolves from a budget. Bill 47 is representative of the government's package of initiatives and programs, and certainly their responsibility to themselves as well as accountability to the general public of Alberta. One theme that has been brought forward into this Legislature that's different for the Conservative government is lowering expectations. In carrying out this budget during 1981-82, I think it's incumbent upon not only the Provincial Treasurer but the Premier and other ministers to adhere to that guideline.

When we return in the fall, we hope a massive number of special warrants isn't facing us as members of the opposition, as members of the Legislature; that departments, officials, and ministers as well are able to learn to

live within their own expectations. If legislators — and I know, myself — believe in limited government, less intervention, and support to the private sector, that kind of thrust by government and those who control the budget starts in this Legislature. We can't expect either lower expectations or less government unless we as legislators carry out those responsibilities.

Mr. Speaker, the first responsibility lies with each minister of each department. That minister has personnel and civil service, numbering some 40,000, that in turn have to understand that kind of expectation. We will be watching very closely to see that this government really means that kind of thrust and how it is carried out. I think one of the best indicators is to be able to live within the means of government and the means of Albertans, but at the same time control expenditures so special warrants are not being used. The use of special warrants has certainly been one concern that we on this side of the Legislature have had. I'd like to re-emphasize that and summarize statements we have made to this point.

Special warrants are certainly necessary under conditions where the government requires funds to meet urgent expenditures. But I think it's not correct when programs that may be desirable are introduced by the government in midstream. I know my criticism there is that a situation may become a crisis. The program may be desirable. But the fact is that the crisis is often created because of poor planning, poor objective setting, or poor techniques to predict what is happening within a fiscal year. Often when there is a crisis, there's heavy public demand that is interpreted as urgent. But it really isn't urgent, Mr. Speaker. What has occurred is that some minister or official in the department has misinterpreted what is necessary in the field prior to submitting a budget, or has procrastinated to a point where the crisis occurs.

If that occurs in our own budgeting, it doesn't mean we reach into the pot and add more money or get a special warrant to subsidize what we're doing. That shouldn't happen, and I'd really like to urge government to follow the budget presented to us. The only way this budget can be judged in terms of respectability and credibility at the end of the current fiscal year is whether the ministers of this government have been able to live within the means established by this Legislature. If we find we're outside those means, then it's a disrespect to the Legislature; we are not following the process in place for many, many years. As illustrated in recent material, over some 600 years the budget has been the plan of the king or the government. That budget is sacred and should be followed. From this side of the Legislature, we can only urge that the government do just that type of thing.

We would like to suggest again to government: one, that the intent and legal meaning of The Financial Administration Act, in terms of urgency, should be adhered to; secondly, if desirable programs are felt necessary for the people of Alberta, the supplementary estimate route should be used and we should be called into the Legislature to deal with those matters if they are so urgent.

The best case I can think of is the Minister of Education indicating in this Legislature that potentially he would be coming back for a special warrant. If that program is so desirable, it should come under public scrutiny — that is, the scrutiny of this Legislature — prior to the consent of funds. Because if a special warrant is used, the program is approved or is desirable in the mind of the minister — or maybe in the minds of a small cabinet committee, or in the minds of caucus — but it is

not endorsed by the total Legislature, which is representative of every person in the province of Alberta. That is the necessary part: first, get the program approved by this Legislature, and then funds should be endorsed and certainly spent to fulfil those objectives. We asked the government to consider that in planning in this coming year: that the use of the supplementary estimate Bill is a good route, and that this Legislature be used for that kind of technique.

I'd like to say this about that second objective. We on this side of the House feel we have received a commitment from not only the Premier but the Provincial Treasurer that they will consider and look at the possible use, to a greater extent, of the supplementary estimate Bill. We will take them at their word this time. Hopefully that word was sincere and not just to delay us and give us the false impression that the government really wanted to show respect to the legislative process and to all members of the Legislature.

The third suggestion we leave with the Legislature today, Mr. Speaker, is with regard to better ministerial planning relative to budget. In the next fiscal year's budget, which I understand starts somewhere in September and October, I think ministers should look at techniques to make the best predictions and projections as to programs necessary for the people of Alberta; that new initiatives should be put in the planning stage; and that this budget comes out in early March — and I'd certainly like to emphasize that point — or in February, if possible, and the session starts much earlier for the next fiscal year so that we approve the budget before the fiscal year starts. That means ministers must have their plans in place at a much earlier date. This year we felt the type of planning that went on, the delay of this session — which in our minds was certainly unnecessary, because we didn't see anything new coming out — was really an affront to the legislative process and an affront to all of us on this side of the House as members of the Legislature.

Mr. Speaker, those three comments: one, better use of The Financial Administration Act; secondly, [with] desirable programs, we should look at the supplementary estimate route; and thirdly, for the next fiscal year's budget there should be better projections and certainly better financial planning by the government in this province on behalf of the people of Alberta.

[Motion carried; Bill 47 read a third time]

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
48	The Municipal Taxation Amendment Act, 1981 (No. 2)	Moore
49	The Technical Institutes Act	Horsman
53	The Partnership Amendment Act, 1981	Crawford
54	The Legislative Assembly Amendment Act, 1981	Crawford
56	The Mines and Minerals Amendment Act, 1981	Leitch
57	The Public Trustee Amendment Act, 1981	Crawford
58	The Alberta Energy Company Amendment Act, 1981	Zaozirny

#### head: **PRIVATE BILLS** (Third Reading)

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
Pr. 1	The Katherine Jean Jackson Adoption Act	Lysons
Pr. 5	The Calgary Research and Development Authority Act	Crawford (for Oman)
Pr. 6	The Eau Claire Trust Company Act	Payne
Pr. 7	The Edmonton Ambulance Authority Act	Mack
Pr. 9	The Paramount Life Insurance Company Amendment Act, 1981	D. Anderson
Pr. 10	The Alberta Bible Institute Amendment Act, 1981	Stromberg
Pr. 12	The Burns Memorial Trust Amendment Act, 1981	Embury

#### head: **GOVERNMENT MOTIONS**

12. Moved by Mr. Crawford:

Be it resolved that when the Assembly adjourns for the summer recess, it shall stand adjourned until the time and date in 1981 determined by Mr. Speaker after consultation with the Lieutenant Governor in Council.

[Motion carried]

MR. CRAWFORD: Mr. Speaker, His Honour the Honourable the Lieutenant-Governor will now attend upon the Assembly.

[Mr. Speaker left the Chair]

#### head: **ROYAL ASSENT**

SERGEANT-AT-ARMS: Order! His Honour the Lieutenant-Governor.

[The Honourable Frank Lynch-Staunton, Lieutenant-Governor of Alberta, took his place upon the Throne]

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present session, passed certain Bills to which, and in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK: Your Honour, the following are the titles of the Bills to which Your Honour's assent is prayed.

[The Clerk read the titles of all Bills to which third reading had earlier been given]

[The Lieutenant-Governor indicated his assent]

CLERK: In Her Majesty's name, His Honour the Honourable the Lieutenant-Governor doth assent to these Bills.

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the House]

[Mr. Speaker in the Chair]

MR. SPEAKER: Hon. members may wish to use the interval for sharing this bit of information. I have had occasion to have some research done this afternoon in regard to the contests which were held earlier today. I find that the pothole contest of the kind we had today, with the resulting announcement, occurs once every 15 years. [laughter]

MR. APPLEBY: On a point of order, Mr. Speaker. I would ask if those kinds of results are retroactive.

MR. KOZIAK: I could also use this opportunity to indicate that although everybody was well aware of the

first prize winner, it was my neglect in not putting it on the record. That individual is the representative for Banff-Cochrane, the hon. Mr. Greg Stevens.

MR. STEVENS: Thank you, Mr. Speaker. Thank you, Press Gallery.

MR. CRAWFORD: Mr. Speaker, no doubt all hon. members, in addition to the hon. minister responsible for personnel, being fit to be tied, I now move that the Assembly stand adjourned, pursuant to Government Motion No. 12, passed earlier today, until such time and date in 1981 as may be determined by Your Honour, after consultation with the Lieutenant-Governor in Council.

[Motion carried]

[The House adjourned at 5 p.m.]