

## LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Tuesday, November 24, 1981 2:30 p.m.

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

## PRAYERS

[Mr. Speaker in the Chair]

MR. NOTLEY: Mr. Speaker, before we get into the routine of the day, I'd like to rise on a point of personal privilege. This relates to answers given last Friday by the hon. Premier, page 1763 of *Hansard*. The question I put to the Premier was:

Mr. Speaker, supplementary question to the hon. Premier, so there is no misunderstanding. Is it the position of the government of Alberta at this stage  
...

MR. SPEAKER: Order please. The hon. member has kindly given me notice of this question of privilege. Since it is going to be necessary to postpone consideration of it for a day or two until I can examine the material, about 60 pages of it, there really isn't any purpose in reading at any great length. The notice has been given. The requirement for dealing with the matter at the first opportunity has probably been met. In any case, if there has been any question about whether it's been raised at the first opportunity, it's obviously quite clear that it's been raised today. That will stop the running of time as far as that's concerned.

So the House doesn't feel too mystified, it relates to  
...

MR. R. SPEAKER: Mr. Speaker, I'm not sure I have the privilege of rising when you are speaking in terms of a point of privilege.

SOME HON. MEMBERS: No.

MR. SPEAKER: Within reason, there will be ample opportunity for anyone to become involved in the discussion of the point of privilege. What it amounts to is an allegation that a certain answer or answers given in the question period is or are not in accord with the facts. I'll just have to deal with it in the usual way. I see no purpose in going into it twice in any great length.

MR. NOTLEY: Mr. Speaker, on a point of order. I find it rather mystifying that you, sir, would in fact state the point of privilege. I've given you notice. It would seem to me appropriate and normal parliamentary custom, as I understand the rules of the House, that the member who wishes to raise the point of personal privilege should in fact raise that point of privilege. If you, sir, wish to hold it in abeyance and rule on it at a somewhat later time, that would also be appropriate, as I understand the rules. But I find it inconsistent with our tradition and the rules as I understand them, that you state the point of privilege on behalf of another member of the House.

MR. SPEAKER: There really is nothing mystifying or tradition shattering in what I'm saying. If I don't understand the point of privilege, the hon. member has failed

to put it across. I'm saying what the substance of the point of privilege is. I realize that the hon. member will wish to put it fully, and he certainly has that right. What I'm saying is that he doesn't need to put it fully twice. Therefore, it can be put fully by the hon. member when we're ready to deal with it.

MR. R. SPEAKER: Mr. Speaker, on the point of order that is being discussed. I'd like to refer to rule 14 of our *Standing Orders*.

(1) A breach of the rights of the Assembly or of any member constitutes a question of privilege.

(2) A member wishing to raise a question of privilege shall ...

Then there is an (a) and (b) section, but the conclusion is: call attention to the alleged breach of privilege and explain the matter.

Mr. Speaker, as I interpret it, that means the privilege can be raised in the House at the convenience of or at the hour selected by that hon. member. I also feel that other members who wish to speak in support of or against that privilege could do so at the same time. Information would then be before you, Mr. Speaker. You could take it under consideration and either report back to the House at a later date or come back to the House and ask if any other members may wish to raise matters with regard to the privilege. At that time, you would have secondary information to make a further decision at a later date. Mr. Speaker, that should be the sequence according to our rules, as I see it.

MR. SINDLINGER: May I please speak to the point of order, Mr. Speaker. The Member for Spirit River-Fairview has risen on a point of privilege. I'm not too certain what it is. I understand that he has given you notice of that, as per the rules of the Legislature. In an attempt to clarify what the point of privilege is, you have said that it deals with certain questions and answers. However, I, as a member who has not gotten a copy of the point of privilege, do not know what the questions and answers are. I would like the same consideration that you are asking for: some time to consider the material. I think it would go a long way to helping us if the Member for Spirit River-Fairview could rise and briefly state the point of privilege and the questions and answers relevant to this issue.

MR. NOTLEY: Mr. Speaker, on the point of order, if I may. Of course, I will respect your judgment. I call to your attention, sir, that in the 10 years I've been in this House a number of points of privilege have been raised. I have yet to recall a single occasion where a member has not been able to state the point of privilege, and where we have this procedure. While I suppose it is always possible to originate new procedure, I would say to you, sir, that this is not consistent with any of the previous matters raised under a point of privilege by other members of the Assembly, as I recall them. I don't remember a single instance where a member has not been permitted to raise the point of privilege.

I think the hon. Member for Calgary Buffalo was quite correct. While it may well be appropriate for you to take several days to consider the matter, and I've given you the information on which I'd like to raise the point of privilege, with great respect, sir, other members of the Assembly have equal rights. They too must have an opportunity to have all the additional information available to them. I want to make it clear that I felt it necessary to table

information in the House that hon. members would all have equal access to so a decision could be made collectively.

Again, we will abide by whatever judgment you make. But to be fair to all members, I've taken the approach of notifying you as per the rules, and I think it's now necessary that I have the opportunity to explain to the House. Then we'll deal with it at the appropriate time.

MR. SPEAKER: There certainly is some merit in what the hon. Member for Spirit River-Fairview is saying. First of all, as I recall, 10 years ago *Standing Orders* did not require notice. Secondly, the hon. members are obviously at a disadvantage if we're going to start to deal with the thing today, even if it's going to be raised. I have received a two-page letter and 60-odd pages of material with it, if I'm not mistaken. The letter in itself is not complete, because it refers to the supporting material. The question is: if the hon. Member for Spirit River-Fairview is going to start reading now from 66 pages of material, how long is that going to go on? As far as copies for other members are concerned, the thing is being photocopied now. Copies for at least a sufficient number of members will be available this afternoon, unless I send it out somewhere to have it mass-produced.

All I'm saying is that I have to have some concern for the time of the Assembly. The point of privilege will be fully considered. There will be ample opportunity for every member who wants to, to examine every one of those 60-odd pages of material, then take part in the discussion here in the House in the ordinary way, if they wish. I see nothing unfair about that. In fact, if we were to deal with half of it today and have half of that material read, with no chance to deal with it fully, I think that would be unfair.

DR. BUCK: Mr. Speaker, speaking to the point of order. With all due respect, sir, you are a servant of this Legislature. The member is making his point of privilege to the Legislature. We as members of that Legislature don't even know what point the hon. member is raising. The hon. Speaker has been given notice, but we as members of this Assembly have not been given notice. Therefore, I think it's only reasonable that the member make his point of privilege to this Assembly. And that is what he is striving to do, Mr. Speaker.

MR. SPEAKER: I realize that I am a servant of the Assembly. I try to remember that every day. I'm doing what I see as my duty as a servant of the Assembly, and one of the aspects of that duty is to save time and not have time lost over things that are dealt with twice. When something that is to be dealt with by a number of members comes to the floor of the House, I also have the duty to see that they should know what it's all about. But that does not extend to taking the time of the Assembly for reading 60-odd pages of material.

I am not complaining about the amount of the material. The hon. member has the right to give whatever supporting material he wishes. As far as I can see, there is nothing really terribly out of the way there. I haven't had a good close look at it yet. But to have the time of the House taken up dealing with a matter twice is contrary to my obligation to the Chamber. In addition, in the discharge of my duty I have said what my opinion is, and I am not permitted to change it.

MR. NOTLEY: Mr. Speaker, on a point of order, if I may. I want to make it clear, sir, that the supporting evidence of some 60 pages is not something I intend to read into the record. As I understand the rules with respect to a point of privilege, a member must rise and summarize the reasons for the point of privilege. As you well know, sir, that of course would preclude me from reading 60 pages of material into the record, even if I chose to. The standing rules are quite clear that I would in fact summarize the reasons for the point of privilege. That's what I intended to do. I certainly wouldn't think of taking several hours of the Assembly's time — although we saw that in committee, I might add — by reading 60 pages of material. The point of privilege I had could be summarized in two or three minutes, I assure you.

MR. R. SPEAKER: Mr. Speaker, speaking to the point of order as well. I'd like clarification by you on your position. From your words, I felt that you as Speaker of the Legislature indicated that you are going to make available to all the other members in the Legislature the material provided to you by the hon. member, material that really hasn't been moved into this House as a matter of discussion.

Now I'm raising that as a privilege of the Speaker, as to whether the Speaker can do that or not. I read the rules very carefully, and I see no obligation on the Speaker to provide to all other members background material, or any other material, in terms of the letter forwarded to you. Now maybe I've misinterpreted what you've said, but I understand material is being mimeographed to be provided to others. I don't recall that kind of action taken in the past with regard to supplying other members their material for debate. It's up to the other members to find their material themselves for the debate at hand.

MR. SINDLINGER: To the point of order, please, Mr. Speaker. We have had considerable debate on the subject already. Notwithstanding that, none of the remarks made by you has identified the specific subject area. I think it's incumbent upon you, Mr. Speaker, if you will not allow the member to indicate what the point of privilege is, to at least identify it for us. Does it deal with irrigation, the heritage fund, or whatever? Could you please give us a hint?

MR. SPEAKER: I have said that it deals with an answer given in the question period. It has to do with possible water diversion. I do not have the material with me; I am unable to refer to pages. I still say that I have expressed my opinion. I am not at liberty to change it. I don't propose to change it.

As far as distributing material is concerned, I must express some astonishment at the position taken by the hon. Leader of the Opposition. Surely it's not wrong for the Speaker to indulge in full disclosure to the members.

MR. KING: On a point of order, Mr. Speaker. I believe the rules are quite clear. A decision of the Chair, once rendered, is not to be changed by the Chair. There are historic and valid reasons for that. There is not to be debate after a decision of the Chair has been rendered. There is an appeal against a decision of the Chair, the course of which is well known to hon. members. I suggest that they either appeal the decision of the Chair or let us continue with the business of the House.

MR. SPEAKER: As hon. members know, the decision of the Chair may not be appealed just summarily. It must be appealed by a notice on motion. I'm unable to deal with the matter any further. I ask the Clerk to proceed with the daily routine.

DR. BUCK: Mr. Speaker, what matter . . .

MR. SPEAKER: Order please. Would the hon. member resume . . .

DR. BUCK: There's been no motion made in this House.

MR. SPEAKER: Order please. Would the hon. member please resume his seat.

DR. BUCK: Mr. Speaker, there's been no motion made. What are we discussing? You know. We as members of this Assembly don't know.

MR. R. SPEAKER: Mr. Speaker, on a point of privilege. The hon. member . . .

MR. SPEAKER: Order please. [interjection] Would the hon. leader resume his seat. A point of privilege has been raised, not a motion.

DR. BUCK: He hasn't stated his point of privilege.

MR. SPEAKER: I have notice of the point of privilege.

DR. BUCK: But we don't, Mr. Speaker, as members of this Assembly.

MR. SPEAKER: Order please. I have told you what it's about. I do not propose to debate the matter any further.

DR. BUCK: The business should be done in the Assembly, Mr. Speaker.

MR. SPEAKER: Order please. Would the hon. member please resume his seat.

DR. BUCK: Let's do business in the Assembly.

MR. SPEAKER: Order please. I must say that any further intervention with regard to that point of privilege is out of order.

#### head: **TABLING RETURNS AND REPORTS**

MR. SHABEN: Mr. Speaker, I wish to table the annual report of the Department of Utilities and Telephones for the year ended March 31, 1981. Copies will be made available to all members of the Assembly.

#### head: **INTRODUCTION OF SPECIAL GUESTS**

MR. WEISS: Mr. Speaker, on behalf of the Member for St. Albert, it is my pleasure to introduce to you, and through you to the members of the Assembly, 26 students from the Legal school in the community of Legal in the constituency of St. Albert. They are accompanied today by their teacher Mrs. Joan Crocket, and I ask that they rise and receive the cordial welcome of the Assembly.

#### head: **ORAL QUESTION PERIOD**

MR. R. SPEAKER: Pass. Forget it. Not a word.

AN HON. MEMBER: Next order.

MR. NOTLEY: Unbelievable. [interjections]

#### **Hospital Construction**

MR. PAHL: Mr. Speaker, my question is to the hon. Minister of Hospitals and Medical Care. Has the hon. member any information to relay to the House with respect to the status of the Mill Woods hospital, in terms of its planning, construction, and completion date?

MR. RUSSELL: Mr. Speaker, that hospital, along with the Royal Elizabeth hospital for northeast Edmonton, is still on an overall schedule that calls for substantial completion of construction by the end of 1985. We expect architectural drawings to begin in the early part of next year. If the hospital goes ahead with the construction management schedule of construction, we would see construction commencing a few months thereafter.

#### **AVC Lac La Biche — Student Housing**

MR. WEISS: Mr. Speaker, my question is to the hon. Minister of Advanced Education and Manpower. Could the minister advise the Assembly if approval has been given for the student housing for the Alberta Vocational Centre in Lac La Biche?

MR. HORSMAN: Mr. Speaker, the budget called for planning funds to be made available. I believe those planning funds have been partly expended in the current fiscal year. It is proposed to review that matter very carefully, since it appears that should additional funds be made available, construction could commence sooner than anticipated. But at the present time, no such commitment of additional funds has been made available for that student housing, which I recognize to be a matter of considerable interest and concern to the vocational centre at Lac La Biche.

#### **Grain Marketing**

MRS. OSTERMAN: Mr. Speaker, my question is to the hon. Minister of Agriculture. In the last few days, a number of farmers who deliver grain to points along the CPR main line between Calgary and Edmonton have called me. They have a fairly substantial quota, but those elevators are all plugged. Apparently, no grain is moving there, much unlike the situation along the CN line. I wonder if the minister has had any reports on that situation, and if he feels he would have any remedies at his disposal.

MR. SCHMIDT: Mr. Speaker, I've had no direct reports in regard to elevators being full. The only comment one could make is that I'd be pleased to look into the matter and report back to the House. We're well into the shipping season, and the amount of grain that has been accepted as the total amount that would be achieved this year exceeds some 26 million tons. I would have to think that we couldn't achieve that by having the elevators plugged for too long. So I'd be very pleased to report back to the House.

### Venture Funding

MR. KNAAK: Mr. Speaker, my question today is to the Minister of Economic Development. During the Heritage Savings Trust Fund select committee meetings, the minister said that Alberta had the human and physical resources to really begin its diversification process; what it really needed was additional venture capital. I wonder if the minister can advise what progress he and his department are making in establishing a venture funding capital vehicle?

MR. PLANCHE: Mr. Speaker, there is a committee of leading business people from the province who have volunteered to serve to develop a model based on some parameters that we had dictated to them. I would expect a preliminary reading on their results some time before the end of this year.

MR. KNAAK: A supplementary, Mr. Speaker. Is it the intent that the government be directly involved in venture funding, or would it be through some intermediary organization?

MR. PLANCHE: Mr. Speaker, it's early to comment on how the model might develop, other than to say that my preference would be that the government had no involvement in the decision-making process.

### Water Management — Oldman River

MR. FJORDBOTTEN: Mr. Speaker, my question is to the Minister of Environment. Could the minister advise the Assembly how discussions have been going with the Piegan Indians with regard to putting a dam on their reserve?

MR. COOKSON: Mr. Speaker, one remembers that when we originally signed the agreement with the Piegans with regard to accessibility to water supply on the Piegan reserve, in the agreement with Chief Nelson Small Legs we suggested that if it were possible for him and the people on the reserve to prepare a presentation for us that might make it possible to negotiate a dam site on the reserve itself, we would be open to those proposals. At the time, we attached a reasonable time frame for that presentation to be made. That's essentially where it's at at this time.

MR. FJORDBOTTEN: A supplementary, Mr. Speaker. Was any assistance given by the minister's department with regard to their drawing up a plan? Also, you mentioned a "reasonable time frame". What is considered reasonable?

MR. COOKSON: I would have to check carefully insofar as the timing. But I believe that in discussions with Chief Nelson Small Legs, I suggested to him that we should have a proposal before us some time during the year 1982, preferably as soon as possible.

Insofar as funding for the preparation of a proposal, one member of my staff is on a special advisory committee to the Piegans. We have agreed to provide any kind of technical expertise insofar as the knowledge of our department, to review any proposals or to assist in this respect. Also, some provision is in the original agreement for some funding which could be used for preparation of the study, in the sense that a major transfer of money was

made for the acquisition of the right of way and for yearly payments, which could be used by the Piegan people to prepare a presentation.

MR. FJORDBOTTEN: A supplementary, Mr. Speaker. As the member who represents that area, I certainly appreciate that you're assisting them. Realizing how important the dam is for irrigation in southern Alberta . . .

DR. BUCK: Question.

MR. FJORDBOTTEN: . . . and how there has to be the canal system downstream, what progress has been made with the expansion of the canal and the purchase of land for raising Keho Lake?

MR. COOKSON: I notice the Member for Clover Bar wants the member to hurry up with the question so he can ask one himself. I'm not sure if he's in conflict with himself or not, Mr. Speaker.

The work is progressing very well, insofar as the Keho Lake expansion. It's a diversion channelling which will eventually tremendously increase the capacity of off-stream storage. We are presently proposing offers — in fact, they should be in the hands of a number of the landowners today — insofar as acquisition of right of way for the expansion of the Keho Lake reservoir.

In addition, we are making good progress towards the channel that's necessary between the flume area on the reserve and Keho Lake. Some contracts have been let, and a lot of engineering work is being done to further the expansion capacity of the channel.

### Movie Industry in Alberta

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Economic Development. Regarding the Act brought in last spring regarding support for the movie industry in the province of Alberta, I wonder if the minister would indicate to the House whether he's had requests for dollar support under that Act.

MR. PLANCHE: Mr. Speaker, I can't give precise numbers on that. The board of directors in place now is an interim board, and the authority to begin activity is only some days old. But the report I get from the officials in charge is that there is a very high level of activity in inquiries. I'd be happy to report back at the beginning of the spring session with a more comprehensive indication of how the first few days went, other than to tell you that it's been busy.

DR. PAPROSKI: A supplementary, Mr. Speaker. During that report to the House in the spring, I wonder if the minister would also indicate whether the requests for support were primarily from in the province or out of the province?

MR. PLANCHE: I can't answer that precisely either. I'm glad to comment that there has been a lot of out-of-province interest and activity also.

### Land Assembly

MR. COOK: Mr. Speaker, I wonder if the Minister of Housing and Public Works might indicate to the Assembly what policies govern land banking. In particular, I'm interested in determining what kind of consideration is

given to agricultural land. I'm asking the question in light of the northeast Edmonton annexation experience, where several thousand acres in effect were wiped out for agriculture.

MR. CHAMBERS: Mr. Speaker, I think my colleague the Minister of Municipal Affairs, in a similar question a number of days ago, pointed out that in a city surrounded by very productive agricultural land, such as Edmonton, the options are obviously limited. In the case of the northeast land assembly, the soils are mostly 2 and 3. While it's very good land, there is better land around Edmonton.

If you go back to when the Red River carts first rolled west, people created settlements every nine miles or so. Obviously, they settled where the best land was because they wanted to work around that. That's one of the problems we face. We have a lot of good soil in this province; therefore, it becomes very difficult to annex land that's on soil other than that which will produce crops.

MR. COOK: A supplementary, Mr. Speaker. I don't want to debate the merits of the northeast land assembly. My question really relates to what kind of guidelines there are for the minister's department to assemble that kind of project, bearing in mind that massive annexation and massive urbanization has a lot of impact on the agricultural industry. What guidelines are there for assembling a parcel of land in one area as opposed to another? For example, the Edmonton annexation could have gone east or west to much poorer soils and been just as valuable.

MR. CHAMBERS: Mr. Speaker, the guidelines obviously are a matter of judgment. One takes into account soil quality, drainage basins, the cost of development of housing, and transportation access. A great many factors go into the decision as to which might be an appropriate direction to move.

MR. COOK: Mr. Speaker, the oral guidelines the minister is offering seem to be designed solely for a development approach. Is interdepartmental consideration given to those kinds of questions, particularly on agricultural land? Could the minister provide to the Assembly some written guidelines that show what kinds of considerations are given to banking land?

MR. CHAMBERS: Mr. Speaker, I don't have written guidelines, and I don't propose to have any. I think it's more important that one look at a given situation from the standpoint of the best information available, given that area, and not be handicapped by written guidelines which may work well in one area but not in another. I think it's more important to provide an intelligent approach to it and, given the criteria I've mentioned, to assess it on the most practical basis possible, and proceed in that way.

MR. COOK: A final supplementary, Mr. Speaker. There are formal guidelines for the annexation process, for the Local Authorities Board, and agricultural land is a consideration. Is there any mechanism for the minister's department to work with the Department of Agriculture to assess whether a particular parcel of land is more suited for agriculture than for urban development? Is this

the sort of approach the minister would use in future land bankings?

MR. CHAMBERS: Naturally, we confer with the Department of Agriculture. We have land quality and land productivity maps, and those are given appreciable weight whenever we look at land assembly anywhere in the province.

#### Ambulance Services

MR. PURDY: Mr. Speaker, I'd like to ask a question of the Minister of Hospitals and Medical Care. It's a follow-up to a question regarding ambulance services I asked during the spring session. When may we see the minister present an ambulance Bill or new regulations to this Assembly?

MR. RUSSELL: Mr. Speaker, I'm unable to add any substantive information to the last time I spoke on this matter before the House. The proposition for a province-wide ambulance program has been worked on with a number of groups, both inside and outside government, and is undergoing final consideration now. I'm unable to say today when any legislative action might occur.

MR. PURDY: A supplementary, Mr. Speaker. I wonder if the minister could give us any information further to the last meeting he had with the Alberta Ambulance Operators Association.

MR. RUSSELL: Mr. Speaker, I met with the executive of that association several weeks ago. We went over their brief and agreed that the objectives of the association are really very similar to those of the government, insofar as ambulance service is concerned. I believe they left with the understanding that the problem or the challenge is being considered very carefully by the government.

MR. PURDY: A final supplementary, Mr. Speaker, regarding the amendment the minister brought in to the regulations last year, where in-hospital transfers could be picked up through government funding. I wonder if the minister has given further consideration to allowing ambulance companies to bill Alberta Health Care or Blue Cross when victims who are picked up off major highways in the province are out-of-province residents, and the ambulance operators cannot collect from the unsatisfied judgment fund?

MR. RUSSELL: Mr. Speaker, at some point the individual still has some responsibility for his own well-being. If I understand what the hon. member said, that would be one of those situations. Once a patient becomes part of the health care system — that is, taken to a hospital, whether in an urban or rural setting, and must be transferred to another health care institution — ambulance service is fully covered. But there are still some situations where personal and individual responsibilities rest with the citizen.

MR. PURDY: Mr. Speaker, just to clarify what I was trying to reach. I'm trying to determine from the minister if victims ... Dead victims from other provinces are brought into a hospital, pronounced dead on arrival, and ambulance companies are having difficulty collecting any fee, because some of them are out-of-province residents. And it's then impossible to collect from the unsatisfied

judgment fund. Is there a mechanism someplace whereby ambulance operators could collect from the province the person was resident in or some other fee base through the minister's department?

MR. RUSSELL: Mr. Speaker, if I understand the question correctly, the member is referring to the matter of portability. It is correct that there are difficulties with some other provinces, not only with respect to ambulance service but with respect to many other kinds of health care service. There is ongoing consultation and working arrangements with those other provinces, and we're trying to rectify those kinds of situations. I'm sorry to say we're not always successful.

#### **Licence Issuing Offices**

MR. STROMBERG: Mr. Speaker, to the Solicitor General. I am wondering, and so are the good people of Donalda and district, what in heck the minister is trying to do in cancelling the issuing of licence plates in Donalda.

MR. HARLE: Mr. Speaker, it is true that the officials of the Department of the Solicitor General have been looking at a number of the smaller licence issuing offices. I think the hon. member will recall that one of the recommendations of the Kirby commission was the improvement of service to the public. In order to do that, a very detailed computer operation is necessary to provide up-to-date information. In order for that to operate, it needs accurate input of information. The officials have found that with the smaller operators, from the point of view of the time they have to spend in becoming trained to input the data and the annual updating of that training, it becomes a dollar and cents issue as to whether or not it is worth while where the number of transactions is very low.

MR. STROMBERG: A supplementary, Mr. Speaker. Did the Kirby report indicate how many miles the citizens of Donalda will be forced to drive to another area to acquire their licence plates?

MR. HARLE: Mr. Speaker, there's been a considerable improvement in the service to the citizens of the province with the introduction of the mail-in system. I suggest to the hon. member that the majority of those people he might be referring to could get their licences and complete their vehicle registrations by mail.

MR. STROMBERG: Mr. Speaker, realizing the dependability of the mail service, I'd like to ask another supplementary. Has the minister replied to that large petition the citizens sent requesting that the services, their God-given government services, remain in their community?

MR. HARLE: Mr. Speaker, I have responded to the MLA.

MR. STROMBERG: Mr. Speaker, may I ask just two short supplementaries, and I'll combine them into one?

MR. SPEAKER: As long as the hon. member isn't going to ask what was in the letter he received from the minister.

MR. STROMBERG: Mr. Speaker, I can't even get a letter from him. It's all verbal.

Will the minister meet with the people of Donalda at a public meeting at the first opportunity, or the first weekend he is driving home to Stettler? My last supplementary: will the minister also stop the issuing of licences in Castor and Stettler, in his own constituency?

MR. HARLE: Mr. Speaker, I'd be only too happy to meet with the constituents of the hon. member. I might say that I've also had locations within my own constituency where the same thing has happened.

#### **Northland School Division**

MR. BORSTAD: Mr. Speaker, my question is to the Minister of Education, regarding the recently completed Northland School Division study. Will that study be made public?

MR. KING: Yes, Mr. Speaker. I'm happy to advise that it was released yesterday in Peace River. Copies are available for distribution to all Members of the Legislative Assembly.

MR. BORSTAD: A supplementary, Mr. Speaker. When will the duties of the official trustee take place, and when will the board be officially terminated?

MR. KING: Executive Council approved an order in council today, rescinding the appointment of the incumbent trustees. It is my intention to sign a ministerial order this afternoon, appointing Mr. Fred Dumont as official trustee, commencing December 1.

MR. HIEBERT: A supplementary question to the Minister of Education, Mr. Speaker. I recall that last year the Member for Spirit River-Fairview expressed a number of concerns to this Assembly about conditions in Northland School Division, as charged by a former employee. It's ironic that he's not here today, but he jumps on and off the . . .

MR. SPEAKER: Order please. Possibly we could leave the hon. member's desk in the Assembly and proceed to the Northland School Division.

MR. HIEBERT: Thank you, Mr. Speaker. Did the investigating committee substantiate whether those conditions did in fact exist in Northland School Division?

MR. SPEAKER: With great respect, it would appear the hon. minister has said that the report was released yesterday. I expect it will be available to hon. members in very short order. Questions that might anticipate what's in the report would seem to be an exercise unsuited for the question period.

MR. HIEBERT: Maybe I could approach it another way then, Mr. Speaker. Has the minister contemplated a time line for the transition from an official trusteeship to a fully elected board?

MR. KING: No, Mr. Speaker, we have not. The report recommends that an elected board should be provided for by October 1983. But with respect to the specific way in which they recommend the achievement of that, and also with respect to the particular date — that is to say,

October 1983 — the government has not yet made a decision.

MR. WIESS: A supplementary, Mr. Speaker. Outside the Assembly, the minister indicated that he would be implementing various aspects of the report, based on the investigation committee's findings. I'm pleased that one of those recommendations is to build new school facilities in various communities. Would the minister advise the Assembly today what those communities are, and what the timing would be for those new facilities?

MR. KING: Could I take that as notice, Mr. Speaker, and reply at the end of question period? It will take me just a moment to get the information.

#### **Home Conversion Program**

MRS. CHICHAK: Mr. Speaker, my question is directed to the hon. Minister of Housing and Public Works. Has the hon. minister recently had any encouraging dialogue with Edmonton city council to pursue more actively the home conversion program, in order to provide more rental units in the tight rental market?

MR. CHAMBERS: Mr. Speaker, when we discussed that subject last week, I was happy that I was asked the question. I wanted to take that opportunity to get the message out that I think home conversion can be very viable and helpful to the community and to people for a couple of reasons: one, it provides very good, much needed accommodation; secondly, it helps people meet mortgages if they can convert a suite and rent it out.

While I haven't had direct dialogue, officials in my department have talked to municipalities across the province. I am hopeful that municipalities will rethink their approach toward home conversions, and that we will see by-laws relaxed and more of these will be constructed in the future.

MRS. CHICHAK: A supplementary, Mr. Speaker. I wonder if the hon. minister has made any further recommendations or proposals that city council might use in a public media program to assure themselves as to the need of the home conversion program, if they are not at this point sure of the real need. Have any suggestions been made to encourage a more rapid decision on the part of city council in taking up this program?

MR. CHAMBERS: Mr. Speaker, when the program was commenced, we prepared and circulated a very good brochure. I think it's been pretty well advertised and is pretty well known. I think it's more a case of municipalities being prepared to look at their zoning requirements and by-laws; in other words, to want to encourage home conversion, the construction of suites.

#### **Grazing Reserves**

MR. ISLEY: Mr. Speaker, my question to the Associate Minister of Public Lands and Wildlife is related to the grazing reserve program under the capital projects division of the Alberta Heritage Savings Trust Fund. Mr. Minister, in view of the positive response from the agricultural community to this program, is any consideration being given to the development of a second grazing reserve in northeastern Alberta? I'm thinking of that area

east of Highway 36 and north of the North Saskatchewan River.

MR. MILLER: Yes, Mr. Speaker. People from the department are presently looking at potential sites for such a reserve. One problem we ran into is that although much of the land in that area is Crown land, it has certain dispositions. We have grazing associations and individual grazing leases. As such, it is hard to assemble a viable grazing reserve unit.

I should point out that we are presently developing two grazing reserves in the Edson-Carrot Creek area, one being the Sang Lake grazing reserve on which we are proposing to brush 1,000 acres this winter. The other is the Pembina grazing reserve. The hon. member raises a very good question, in that there is a need for such a grazing reserve in northeastern Alberta. We are looking at possible sites for such a reserve.

MR. ISLEY: A supplementary question, Mr. Speaker. Has the department staff done any land assessment in the green zone, where there is no disposition on the land at this point in time?

MR. MILLER: This is part of their overall study at this point in time, Mr. Speaker.

MR. SPEAKER: The hon. Member for Edmonton Gold Bar, followed by the hon. Member for Vermilion-Viking.

MR. HIEBERT: Mr. Speaker, my question was taken care of in the supplementary.

#### **Nutritive Processing Agreement**

MR. LYSONS: Mr. Speaker, my question is to the Minister of Agriculture. Is the minister aware of the length of time it takes to get a nutritive processing grant? Perhaps he could indicate why there is so much frustration for some people when they're applying for these grants.

MR. SCHMIDT: First of all, Mr. Speaker, I'm not aware that it takes an unusual amount of time to make an application for a nutritive processing grant. One has to remember that we have just signed a new sharing agreement under the DREE agreement with the federal government, which established a new nutritive processing agreement. If there is any backlog of applications which would indicate a time frame, perhaps it would be those applications gathered at a particular time when the old agreement had run out. We as a department continued to accept applications on the basis that if a new program were to be established, those applicants would then have the benefit of being part of a new program. I'm certainly not aware of any problems that exist in making an application, nor any time frame that has exceeded the norm.

MR. LYSONS: Mr. Speaker, may I have a supplementary? Could the minister tell the House the sharing percentage of the federal and provincial governments?

MR. SCHMIDT: Mr. Speaker, the old agreement, plus the new agreement, has always been a 50:50 sharing between the federal government and the province in regard to any grants available under nutritive processing.

### Check Stop Program

MR. GOGO: Mr. Speaker, I have a question for the hon. Solicitor General. In view of the record number of convictions for impaired driving in the past year, which I think is an indication of the excellent job the department is doing, does the minister have any plans for increasing the Check Stop program for the balance of the year?

MR. HARLE: Mr. Speaker, I'd have to take that question as notice. Of course, a budget is provided for the Check Stop program, and the use made of it by the various police forces depends upon their priorities.

MR. GOGO: Mr. Speaker, a supplementary to the minister. In view the fact that we're approaching the festive season and historically many traffic accidents resulting from impaired driving occur at that time, is the minister's department planning any special awareness program for Alberta citizens with regard to drinking and driving in the coming festive season?

MR. HARLE: Mr. Speaker, as I said, I'd have to take that as notice, because I'm not aware of the specific details. I know advertising programs are being developed. Obviously the Christmas season is one where a great deal of effort has been made in the past and I would think is likely again for this coming Christmas season.

### Land Titles Offices

MR. THOMPSON: Mr. Speaker, my question is to the hon. Attorney General. At present we have land titles offices in both Calgary and Edmonton. Is the Attorney General giving any consideration to setting up land titles offices on a regional basis in such places as Grande Prairie, Lethbridge, or Medicine Hat?

MR. CRAWFORD: Mr. Speaker, I acknowledge that there has been an expression of interest in that subject from a number of members in various centres outside Calgary and Edmonton. I think the way it will finally be resolved — and we should have the technical capacity within the space of a few years, and we're building toward that technical capacity now — is that the two land registration districts, the north district and the southern Alberta district, will likely continue in their present form, but some agencies of the Land Titles Office in other communities is a distinct possibility, based on some computer terminal type of capacity being built up. Although maybe not every transaction could be taken care of, some — in particular, searches — could be done.

MR. WEISS: Mr. Speaker, I was able to raise my question previously by way of a supplementary.

MR. KING: Mr. Speaker, if I could, the hon. gentleman has provided me with an opening to answer a previous question he put to me.

MR. SPEAKER: Could we leave that to the end of the question period and hear from the Member for Edmonton Norwood who I believe has another question?

### Nursing Education

MRS. CHICHAK: Thank you, Mr. Speaker. I'd like to direct my question to the hon. Minister of Advanced

Education and Manpower. The hon. Minister of Hospitals and Medical Care may wish to respond as well. My question is: has the hon. minister had any dialogue with the universities and the Alberta Association of Registered Nurses as to the possibility of including in the professional course content a greater degree of the matter dealing with geriatrics, in order that many members of the nursing profession who work in nursing homes would be better prepared to cope more clearly with the matter of seniors in nursing homes and their particular types of conditions and problems?

MR. HORSMAN: Mr. Speaker, it has not been my policy to have discussions with individual faculties of universities on particular course content matters. But I would say that part of the consideration now under way with respect to the nursing implementation committee relates to the development of programming for nursing throughout the province and the implementation of recommendations received over a number of years. I think that type of representation might very well be made to that committee so they could consider the type of programming necessary.

In view of the fact that the nursing home situation in this province is being reviewed by a committee at this time, I expect that some recommendations might flow from that committee when they conclude their work, and that such recommendations might then properly flow directly to the institutions that offer nursing education. As you know, those fall into colleges, universities, and hospital nursing schools. So I suggest that the point the hon. member has made is well taken and will be considered in due course.

MR. SPEAKER: The hon. Minister of Education wishes to deal further with a matter previously raised.

### Northland School Division

*(continued)*

MR. KING: Thank you, Mr. Speaker. The hon. Member for Lac La Biche-McMurray asked where construction was proposed in the Northland School Division as a result of the recommendations of the committee of inquiry. It is recommended that the schools at Big Prairie — that is, the Bishop Routhier school — Cadotte Lake, Chipewyan Lakes, Conklin, Garden River, Little Buffalo, and Loon Lake be replaced. The committee of inquiry recommended that the division develop a three-year capital plan in that regard.

MR. R. SPEAKER: Mr. Speaker, on a point of privilege, I would ask the Assembly to revert to Notices of Motions.

MR. SPEAKER: Possibly the hon. leader could just give me a moment to conclude the question period.

### ORDERS OF THE DAY

MR. R. SPEAKER: Mr. Speaker, I'd like to ask unanimous consent that the Legislative Assembly revert to Notices of Motions on the Order Paper.

MR. SPEAKER: Having heard the request, is there unanimous consent?



SOME HON. MEMBERS: No.

MR. SPEAKER: Unanimous consent is denied.

MR. R. SPEAKER: Mr. Speaker, I think it's unfortunate that in a democratic facility, we can't raise a motion that is most necessary at this point in time. Today in this Legislature, we have been suppressed from speaking out and having freedom of speech. Now we can't revert to a most important resolution which questions whether that freedom of speech can be carried on in this Legislature. I think it's unfortunate that this government, with its big majority, wants to push us around, as Albertans and elected representatives. They can laugh, they can be arrogant, they can push people all they want. But the democratic process says that I come to this Legislature to have the right to freedom of speech. It has been curtailed in this Legislature by a large majority that has no responsibility. [interjections]

Mr. Speaker, I think it's unfortunate that that kind of thing carries on. An hon. member couldn't even move a point of privilege today.

MR. SPEAKER: Order please.

MR. R. SPEAKER: Freedom of speech has got to be revived in Alberta. I think it's time to go to the polls.

MR. SPEAKER: Order please.

The question of privilege is closed for the time being. However, since it is necessary not only to be fair but also to appear fair, there is perhaps one further statement I should have made earlier. That is this: I do not know of any court in the world, worthy of the name, where the charge is read out without the person charged being in the courtroom. Hon. members know that . . .

DR. BUCK: What is the charge, Mr. Speaker?

MR. R. SPEAKER: What are we talking about? Give the member a chance to raise his point.

MR. SPEAKER: That involves reading the charge.

DR. BUCK: How do you know? You're prejudging.

MR. SPEAKER: Because I have a copy of it. [interjections] Order please. I don't propose to . . . [interjections]

MR. NOTLEY: On a point of order.

MR. SPEAKER: There is no point of order in regard to the question of privilege. Whether the question should be gone into today has been fully debated, at great length. Notice has been given. It is not going to be gone into today, and any debate of that point is out of order.

DR. BUCK: Not according to the rules, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, on the point of order . . .

MR. SPEAKER: Order please. Has it to do with the question of privilege?

MR. NOTLEY: Mr. Speaker, it has to do with the way in which you are conducting this . . .

MR. SPEAKER: Order please. Would the hon. member remove his seat. If he has any complaint about the conduct of the Chair, not only is he free to go to the media about it, which is not available to me, but he is also free to raise it by a motion on notice.

MR. NOTLEY: Mr. Speaker, the point of order I am raising deals with your ruling. Now, your ruling . . .

MR. SPEAKER: Order please. Would the hon. member remove his seat. My ruling has been made. It belongs to the House; it no longer belongs to me. That is basic parliamentary tradition and practice, and will not . . .

DR. BUCK: Mr. Speaker, you're going to have to remove us all, because we have not had the opportunity to have that motion read.

MR. SPEAKER: Order please. Would the hon. member remove his . . .

MR. NOTLEY: Mr. Speaker, on the point of order.

MR. SPEAKER: Would the hon. member remove his seat.

MR. NOTLEY: Mr. Speaker, on the point of order.

MR. SPEAKER: Would the hon. member remove — sorry, not remove. Would the hon. member retake his seat.

I am saying that if there is a point of order arising from the matter of privilege which was raised earlier this afternoon, that is not going to be dealt with at the moment. As hon. members know, if there are any complaints about the opinion I have expressed, those may be dealt with by a motion on notice. Nothing will spoil by giving the ordinary period of notice.

MR. NOTLEY: Mr. Speaker, I have a point of order. I'd like to go back to . . . [interjections] Mr. Speaker, I am rising on a point of order, and I believe I have the floor.

MR. SPEAKER: I believe the hon. Member for Spirit River-Fairview did catch the Chair's attention first on this particular point.

MR. NOTLEY: Mr. Speaker, the point of order is simply this. The question of the point of privilege was raised earlier. You, sir, ended all discussion on it. However, in complete violation of your own ruling, a few moments ago you reopened the discussion by adding further argumentation to your ruling, totally inconsistent with the ruling you gave in the first place that there would be no further debate. It is inappropriate for the Speaker of this Assembly to deny members of the Assembly the opportunity to raise this matter and then go on whenever he, as the Speaker, chooses to do so later in the affairs of the Assembly.

With the greatest respect, Mr. Speaker, I really must say to you that never in my years in this Assembly have I seen such a violation of the spirit of the neutral chairmanship of this Assembly as I've seen today. I regret that very much.

MR. SINDLINGER: Mr. Speaker, on that point of order as well . . .

MR. SPEAKER: Order please. The hon. Government House Leader is being recognized next, having gotten up almost at the same time as the hon. Member for Spirit River-Fairview. Perhaps we could then hear from the hon. Member for Calgary Buffalo.

MR. CRAWFORD: Thank you, Mr. Speaker. In regard to the point of order just raised by the Member for Spirit River-Fairview, I want to note that it is really a circuitous way of again raising the point of privilege which you, Mr. Speaker, have already dealt with. That matter cannot be raised again in that way. The point of order cannot be used to raise the point of privilege which was dealt with and, as hon. members well know, was correctly dealt with. But I will not begin to debate that.

Mr. Speaker, I want to say that also by a circuitous and unusual route or grasping of the opportunity, such as it was, the Leader of the Opposition chose to make an offensive and ignorant speech which . . .

MR. NOTLEY: Withdraw, withdraw.

DR. BUCK: Withdraw that. Crawford, you know better than that.

MR. R. SPEAKER: Mr. Speaker, I ask him to withdraw that. That's the only argument he ever has: personal attack. Argue on substance, and he hasn't got it. [interjections]

MR. SPEAKER: Would the hon. leader resume his seat.

MR. R. SPEAKER: Mr. Speaker, that's not good enough. Read *Beauchesne*. The word "ignorant" is listed on — I forget what page. It is a word that is not allowed in the Assembly.

MR. SPEAKER: Would the hon. member just resume his seat. There is very great doubt in my mind as to whether the characterization of a speech is the same as referring to the member who made the speech. There is a definite distinction. However, under the circumstances I would ask the hon. Government House Leader to deal with the matter further. But I must say that in my opinion, there is substantial doubt. What is parliamentary and what is not parliamentary is not a black and white matter.

MR. R. SPEAKER: It's in the book.

MR. SPEAKER: It's not a black and white matter. There are examples on both sides of the line. However, just to be absolutely, abundantly on the proper side of the line, I'm suggesting to the hon. Government House Leader that he deal with those adjectives a little further.

MR. NOTLEY: Withdraw.

MR. CRAWFORD: Mr. Speaker, maybe this is an opportunity to get to my feet without undue interruption, and I welcome that. I withdraw the remark made in respect of the hon. Leader of the Opposition being ignorant. That deals with the matter entirely, as the hon. member knows.

Not long ago, the hon. leader made an offensive and quarrelsome speech by a very circuitous route, claiming privilege at the time. It's only fair that some opportunity be made to make a few remarks in respect of it. I recog-

nize the difficulty of trying to deal with the quarrel initiated by the hon. Leader of the Opposition without making any reference to the ruling Your Honour previously made. I'm sure the remarks made by the hon. Leader of the Opposition were not directed at you personally, Mr. Speaker, as that would not be done, but at a disagreement over a ruling that was properly made. Whatever inspiration brought the hon. leader to this type of approach in the Assembly, reducing whatever opinion he holds of himself in regard to these things to the extent of attacking the Chair, is a very unfortunate development on the part of the style of the Leader of the Opposition after many years here. I would have to ask him not to persist in that type of quarrel. It's unnecessary here. He knows it.

MR. SPEAKER: Would the Clerk please proceed with calling the items under Orders of the Day.

MR. SINDLINGER: I thought you had already recognized me on this point of order.

MR. SPEAKER: On the point of order? What is the point of order to which the hon. member wishes to speak?

MR. SINDLINGER: Sir, it's not directly related to the point of privilege. It comes back to the second issue raised here. When you got up later, Mr. Speaker, and said that you had more to add or there was something you should have said, that caught my eye right away. You said, sir, that charges were alleged against somebody in this Legislature. On the point of privilege earlier this afternoon, you said that it dealt with questions and answers in *Hansard*. Those are two entirely different matters. What it does is again raise the question of what charges and against whom are they alleged to occur?

MR. SPEAKER: Order please. [interjections] Order please. I must very seriously caution the hon. member against any kind of threat or threatening gesture in the Assembly.

When a point of privilege is being debated, that is not a debate between an hon. member and the Chair, although the appearance is sometimes otherwise. For the Chair to debate is beyond the scope of the Chair and is forbidden by *Standing Orders*. It is only for me to express an opinion. That was not a prolongation of the debate on the point of order. It was simply an obvious aspect of the matter which I think is better placed into the record.

So there is really no point of order in that regard. We are not going to deal any further now with the question of privilege or with the point of order. We are going to proceed with Question No. 148 on the Order Paper.

MR. HORSMAN: I move that Question 148 and Motion for a Return 147 stand and retain their places on the Order Paper.

[Motion carried]

#### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

206. Moved by Mrs. Cripps:

Be it resolved that this Legislative Assembly recommend to the government of Alberta that representation be made to urge the federal government to change its harmful

economic, energy, and interest rate policies so that small businesses in Alberta and across Canada can continue to exist and can grow more easily.

[Adjourned debate May 12: Dr. Paproski]

DR. PAPROSKI: Mr. Speaker, because this motion was debated some time ago, I think it's proper that we should refresh our memories for the Assembly and the public. Some time ago, I spoke on a similar motion regarding high interest rates and harmful economic and energy problems in this country. I suggest to the hon. members that we have made our representation to the federal government on economic policies, energy policies, interest rates, and even the constitution, with vigor and determination: all with the intent of not only showing the federal government the direction it should take to avert harmful effects of these areas, but also providing a sound direction and a resolution for many of the problems.

Mr. Speaker, we spoke of difficulties with the energy program before the energy agreement, which we all know has now been resolved satisfactorily to Alberta, the federal government, and the industry. We know that the residual harm caused is still here. It's still evident in Alberta. However, with the firm negotiation undertaken by the Premier and the Minister of Energy and Natural Resources, we have a satisfactory and very acceptable agreement involving some \$200 billion. I don't want to gloss over the \$200 billion, because most of the citizens of Canada, or anywhere for that matter, really don't appreciate the immensity of that amount of money over the term of the agreement. It ensures that Alberta will prosper for years to come, assuming good economic direction continues as in the past 10 years at least. When we look at the representation that took place when the feds truly wanted to outrightly confiscate our ownership of our resources, it is extremely important to note the solution and resolution of that problem. It is very fortunate, despite the stubbornness and blurred vision of the Ottawa government at that time.

What do Albertans have as a result of this energy agreement, Mr. Speaker? In a very brief way, we have security that the provinces own those resources. We have rights over those resources secured and clarified. We have a fair deal not only for Albertans but for the federal government, all Canadians, and the industry. We have revenue — through the Heritage Savings Trust Fund, for example — for Albertans to do those things not otherwise possible. We have an opportunity to provide jobs and assurance. When we speak of the Heritage Savings Trust Fund, we've debated sections of it over the past two or three weeks, question after question. Answers have been coming from the ministers responding to that particular fund.

It should be noted and recalled that 70 per cent of all, non-renewable natural resource revenue goes for everyday operations. Seventy per cent goes for agriculture, education, health, hospitals, roads, housing, utilities, and other activity. The significance of that is that if we didn't have the non-renewable resource revenue, taxes would have to go up to maintain the present high index of social services, education, health, and so forth that we have across the board.

Only 30 per cent of the non-renewable resources goes into the heritage fund for investment; for a rainy day, for future generations, if you wish. There has been some misapprehension by some citizens that that \$9 billion — where it stands now — is just sitting there. On the

contrary, it's being very, very actively used and invested for future generations, and for people now for that matter. Mr. Speaker, 30 cents of every non-renewable resource dollar is going into the heritage fund, now standing at \$9 billion — \$9 billion, I emphasize. People, and members of this Assembly, forget what a billion dollars is. What is a billion? One second ticking away for 30 years: a long time. The hon. member across the way appreciates that, I'm sure. If you have \$9 billion, that is a lot more of course.

Mr. Speaker, 16 cents of that 30 cents goes to the Alberta investment division, which stands roughly at \$4.9 billion, for the Agricultural Development Corporation, Alberta Government Telephones, Alberta Home Mortgage, Alberta Housing Corporation, Alberta Municipal Financing Corporation, Alberta Opportunity Company, and so forth. In round figures, \$1.5 billion goes to the Canada investment division, for the provinces of Manitoba, New Brunswick, Newfoundland, Nova Scotia, and so on — all at current, contemporary rates, not lower, that they could have gotten on the open market at the time they got the loan.

We have a portion, 3 cents of the 30 cents, going to the capital projects division, which stands at \$1.1 billion at this time; things like the Alberta Children's Provincial General hospital — and we're debating this now in the Legislative Assembly — the southern Alberta cancer hospital, heart research, occupational health and safety, irrigation, and so forth. Then we have \$1.1 billion in marketable securities and \$25 million in energy investment. One could expound on those in large detail. I have no intention of doing that, except to say that we in Alberta are very fortunate to have that when other provinces do not.

Getting back to the essence of the motion, I'm suggesting here that the government of Alberta has already gone so much further than any other province or the federal government to help its citizens in Alberta. If we went any further, Mr. Speaker, I think we would be acknowledging that high interest rates are Alberta's fault only, when in fact we know this is not true in any shape or form. It's primarily and centrally a federal problem.

Having said that, the measures taken by the Alberta government to shelter our citizens are unprecedented in the history of Canada. It's precisely one of the reasons for our problems with the federal government and with other provinces. The federal government is saying it's not equitable. The federal government has said it's out of balance, and that we must share with other provinces. Of course, we have done that. As our Provincial Treasurer is meeting with other provincial ministers of finance. They're threatening to remove the \$5.7 billion of federal transfer payments to other provinces, which won't hurt us as much as other provinces but it is still a threat and it may very well be followed through.

This motion urges the federal government to end harmful economic, interest rate, and energy policies — which have now been resolved, hopefully, except for the residual problem, which may go on for some 12 months or so — so that businesses can exist and grow more easily, so that Albertans can afford homes, so that farmers can farm, so that small businesses can exist and profit. It's a motion which has been and is being carried out by the Alberta government.

The hon. Member for Drayton Valley, who brought in this motion, should be congratulated. Even if she brought it in some time ago, it's still very timely. I would be happier to have seen the motion worded slightly different-

ly, indicating that we continue to make representation and continue to be vigorous in our representation, as we have to this time.

In either case, Mr. Speaker, the motion is timely. What has the federal government done? They have disregarded the essential economic problems of this country and had to zero in on the constitution. During the constitutional debate — and unfortunately for our representation by the Premier, the Minister of Federal and Intergovernmental Affairs, and others, there was a great degree of economic uncertainty, and there still is. It's unfortunate we had to deal with the constitution at this time. I suppose it's a blessing that it's now dealt with, hopefully, and we can get on with the main business of dealing with the economic problems.

Mr. Speaker, the federal government disregarded the rights of the provinces respecting ownership of resources. Again, we had to press and urge with the greatest vigor possible. Fortunately, that energy agreement has now been resolved for the benefit of all — again, the province of Alberta, acting with vigor and determination.

The federal government is still disregarding the impact of high interest rates that have caused the problems and harm for farmers, industry, small business, the individual and the family in general. They have disregarded high interest rates and the harm they're causing. Obviously, if we in Alberta are to make much further representation to the federal government regarding these harmful, insensitive, and bungling activities regarding economics and interest rates, I ask myself, what else can Alberta do? What else can we say that we haven't said already? I hope the Treasurer will continue pressing forward to make some changes. But we've essentially said it all and will continue to say it over and over again.

Somehow when you speak to the federal government and repeat yourself about 20 or 25 times, they finally get the message. But it takes that repetition and a joining of hands of other provinces and other peoples to really get that message across to them. I suppose 40,000 or 50,000 people on the steps of the House of Commons and crowds across Canada parading in front of federal government offices may make them move. I don't know, Mr. Speaker, but it takes a lot of repetition.

So what I'm saying is that Alberta is the guidepost for all Canada in setting a direction for Canada for the next 100 years. It has done that. It's been exemplified by our constitutional debate. You, Mr. Speaker, have gone across Canada, even as the Speaker of the Assembly, not fearful in any way to jeopardize your position as Speaker of the House, to speak in favor of the constitution and the way you saw it and we all saw it. We are pleased with that. We are pleased with every member of the Assembly who brought that message home so well. We have done our job; we all know that. I challenge any member of the Assembly, the opposition members in particular, if we haven't done our job regarding the energy agreement, which is second to none and will serve well over many, many years.

Swinging back to the high interest rates, Mr. Speaker, let's talk about that terrible entity that's come about in the past little while. At this time in Canada, we have the highest interest rates ever; dropping slightly, thank God. But the last few months it was up to 20, 22, 23 per cent. We have unprecedented unemployment. We have regional disparity. We have a federal deficit of \$14 billion, remembering that one billion is one second ticking off for 30 years. When we talk about mortgage rates and interest rates and the interest we as individuals have to pay on

loans, imagine the interest payable on \$14 billion.

Really, what can we do? What can we say to the federal government that has not been said already? We have said, the Premier has said, members of the Assembly have said, I know the Provincial Treasurer has said and will continue to say, and I'm sure he's saying this now: we do not have to track the United States interest rate. We don't have to follow the high interest rates in the United States. Simply put, the Bank of Canada is doing what the federal government advises the Bank of Canada to do, with no federal assistance. The policy of the Bank of Canada is directed by the federal government, and it's obviously unacceptable. Even the Minister of Finance in the federal House is disturbed about it. He knows the policies are made by the federal government — his own government, his own cabinet. They're unacceptable, and he doesn't do anything about it. Yet the banks made an unprecedented profit in the first quarter of last year. As the interest rates go up, unemployment goes up, businesses falter, homes are lost, and the banks have made the highest profit ever. There has got to be something wrong with that. No constituent in any constituency could ever understand that or accept it.

Those are the difficulties we're having with the federal government, as we had with the constitution and energy. Maybe it'll come around sooner or later. The factors of unemployment, regional disparity, federal deficits, and high inflation continue. The question has to be asked: what party has been in government over the past 10 or 12 years in Ottawa? We know that: the Liberal government, of course. So it's wrong by anybody's standard. Trying to maintain a mortgaged home or trying to continue simply living for the individual and family or small business surely is very, very difficult at this time. If the individual and family, the pillar and the essence of our society, reject this type of economic circumstance — and the fact is that they do — we as a government in Alberta have an obligation to do everything possible to try to correct these harmful circumstances. I suggest that here in this Assembly we are doing our part. Oh yes, the argument will come up immediately that the international state of affairs cannot be buffered by Alberta or by Canada. Mr. Speaker, of course that's true, but only to an extent. The reality is that we as a country federally can help the issue from within. This is where the action should be urged. This is what this motion reads. Mr. Speaker, Alberta alone can only do what it has done already, on a short-term basis, recognizing that we're very, very fortunate to have the non-renewable resources and the revenue from those resources to buffer citizens of Alberta.

So we end up with the very recent budget, and what does that budget do? It's totally insensitive. Mr. Speaker, we're talking about world economists of top-rate quality saying it's insensitive, a do-nothing budget, a budget that hurts all but the banks. I just can't believe when one year the federal government says, invest in land and apartments, and then cuts that investor right at the knees. On one hand, the federal government says, write off soft costs, which are primarily interest rates, as we all know. Now, in this budget, the federal government says this incentive will stop. So the question arises: why would I, why would any one of us, why would any senior citizen invest in apartments when this incentive is removed? It is predicted that with their programs, some 10,000 apartment units may be saved. But 150,000 will not be built as a result of their policy.

In a 10-page budget, they take away incentives for a small business to invest, and then they start talking about

loopholes, which really are not loopholes but incentives created by that same government. They say they're closing the loopholes, when in fact they created it and encouraged people to invest in that area. Before, you could take profits from a small business and expand. You could buy machinery. You could expand your business. You know what they're saying now in this budget? You will pay the taxes first from profit. Then, if you have any money left, you can expand. Mr. Speaker, I'm sorry, that just won't fly.

Stock investors who borrowed money and could deduct their interest on loans for taking a risk in stock investment, which is part of our free-enterprise system, cannot deduct that interest unless there is a return. There is no guarantee of a return. That's the essence of the stock market. So it stifles the risk-taker again, Mr. Speaker. We know that income-averaging annuity contracts were the prime method of deferring tax on lump-sum payments, like capital gains through sale of stock. This no longer will be available in 1982.

Mr. Speaker, I'm just showing these examples because it affects every citizen. It's not the rich, the upper crust, who are hurt by this budget. It's right across the board. It affects more families by the ruling that health and dental plans contributed by employers to employees will now be taxed because that will be considered a source of revenue. Can you imagine being so callous, so insensitive? The capital cost allowance — for example, in buying a truck or equipment — instead of being 30 per cent a year, will be cut in half. We can go on and on.

That is the federal government solution to an impossible, difficult problem of unprecedented high interest rates and difficulties where people are losing their homes and businesses. It's very sad indeed, Mr. Speaker.

Every member of the Assembly knows very well that high interest rates are not the only cause of business failure, farm failure, or loss of homes. It's usually also caused by consumer resistance, inflation, and unemployment. Of course, disaster ensues. But those factors are all tied together, Mr. Speaker. They're not one from the other. We don't have inflation, unemployment, and high interest rates separately. They go together.

So what is the solution? What is the suggestion? As hon. members know, all too often we don't have any suggestions or solutions from opposition members. It would be nice to get that, in a positive way, rather than merely criticizing. I'm suggesting that there are solutions and suggestions that could be enunciated and followed through. Number one, announce new gas exports. This would keep the trade deficit in the federal government down. It would increase incentive to small business and explorers, and would increase inflow of capital and offset the trade deficit to a significant degree.

The next one, Mr. Speaker: decrease bank profits, very cautiously. There could be a limit on the amount of profit they make. I know we enunciate free enterprise and then say we interfere with the free-enterprise system. But I'm sorry: when it's unprecedented to that degree, there should be a limit because they have — and know they have — a monopoly. They are banks chartered by the Bank of Canada, governed and directed by the federal government. Therefore, it shouldn't be surprising that the federal government can set direction to a certain degree regarding the profit they make.

Drop interest rates, Mr. Speaker. Yes, the dollar may drop. That's what everybody here would immediately say. But it would keep Canadians employed, because Canadian manufacturers would be more competitive. We'd sell

more, and there'd be more dollars. Cushion select groups by tax deduction; for example, on mortgages, as the previous federal Conservative government suggested. We have done this in a number of ways, by Alberta Home Mortgage subsidy, family home mortgage subsidy, and subsidies for senior citizens. This action would surely help the individual and family with a mortgage — and most of them do have mortgages — and stimulate the housing construction industry, which is a major industry across Canada.

So the Canadian dollar did float, Mr. Speaker. A 1 per cent drop in the dollar is said to increase the cost of living by 0.4 per cent. So be it. But we will produce more, we will be more competitive, and employment will increase. If inflation continues to be an issue, let the federal government stop extending the overspending. I'm not suggesting that they stop spending, because we know that governments must fill the gap of social security for senior citizens, veterans, and so forth, across the board. But it's the overspending, the deficit spending, the useless spending that has to be stopped. Otherwise, we'll never get out of this problem. As I said before, decrease that federal deficit — and we can do that by increasing our gas exports — from that \$14 billion mark, which is so high. These suggestions are much more viable than the high interest rates we know now, which are hurting the private sector, the small business, the farmer, and the individual and family; not only hurting them but wounding them to the extent that a lot of them will go out of existence.

Mr. Speaker, another point is to develop that export policy regarding natural gas, which I mentioned. In other words, the problem has been mismanagement of the federal state of affairs, and we know that. One of the classical examples of mismanagement would be that the federal government takes our tax dollars, spends \$1.5 billion to buy Petrofina, and then taxes the people to pay for it, when the oil and gas industry in the private sector has been doing a good job and will continue to do a good job — very difficult logic; very convoluted logic. The problem is that there is a message here not only for the federal government but for the provincial government as well as municipal government.

As I've talked about the problems that have resulted in these difficulties and what the federal government has not done, Mr. Speaker, I have to turn immediately and indicate what we in Alberta have done to offset, to cushion, Albertans. We have the Alberta Opportunity Company, which gives low-interest rate loans when other financial institutions do not provide those loans. We have the Agricultural Development Corporation, which provides low-interest loans for farmers. We have the beginning farmer loan, at a 5 or 6 per cent interest rate, up to \$200,000. Under the family home purchase program, we have the lowest interest rate for first-time home-owners, with a subsidy up to \$500 per month.

We have municipal borrowing subsidized up to \$40 million. We have a 1 per cent rebate for Treasury bank loans for small businesses. We have a property tax reduction plan and the lowest property tax in Canada. We have rental rebate from \$500 to \$1,000 a year for senior citizens. We have the lowest personal and corporate tax for small business and for people generally. We have the heavy equipment operator \$30 million stimulation loan. We have no gasoline tax, no sales tax. We have the natural gas price protection plan, that means we pay roughly three-quarters of what we would pay if we didn't have that plan. But even more important, because of our low cost of energy in Alberta we pay probably half the

cost to heat our homes that Ontario or the Atlantic provinces pay. We have the municipal debt reduction plan. We pay 100 per cent of our hospital and social services costs. I can go on and on. And no increase in taxes over the past 10 years.

MR. SPEAKER: Order please. I have great difficulty connecting the hon. member's remarks with the resolution under debate. It seems to me this has to do with harmful economic, energy, and interest rate policies rather than with the prosperity the hon. member is now talking about.

DR. PAPROSKI: Mr. Speaker, I respect your comments very clearly. I was just trying to enunciate what this province has done, besides urging the federal government to correct their harmful effects, to cushion them against those harmful effects. But I respect your comments. In either case, I have only a few minutes. It would take another hour to cover this very complicated topic. When all citizens, all constituents, are affected, I'm sure other members want to make their comments regarding this important and very timely topic the hon. Member for Drayton Valley brought forward.

Mr. Speaker, we must continue to press for provincial/federal co-operation to take measures to take the pressure off the Canadian dollar internationally by developing the critical items in the energy field and economically, as I've indicated. There are many, many other directions. Inflation is and has been a most complex problem since governments had deficits. It became a way of life since the 1930s, and Canada is no exception. The word "complex" has been used more and more as deficits, inflation, and interest rates go up to a new high.

Back in the Roman Empire, Emperor Diocletian said to his people: we'll give you bread and circuses. Mr. Speaker knows that quotation. That's the same as saying, we'll give you TV, security, and dollars for nothing, without working. And he continued to issue new money. Inflation continued and swept his empire. Instead of stopping spending at the federal level, he continued to respond very simplistically. He brought about controls. Do we in this House remember controls? We had controls not very long ago; again, a simplistic solution. He did not stop spending. Then there was a shortage of goods, prices went up, and he had inflation. We have that right now. During that same period of time, thousands of years ago, gold prices went up because people had more confidence in gold. Doesn't that sound familiar?

So throughout the years, the players have changed but very little has happened because we have taken the position at the federal level that somehow we have to spend more to gain votes. It's unfortunate. Inflation puts us all into a higher income bracket where progressive income taxes take a bigger bite out of our cheque and nothing really happens. We have to balance our budget. And balancing the budget is not enough. We have to make them keep honest books, and then balance the budget.

Mr. Speaker, inflation may allow us to kid ourselves for a while, but the bill always comes due in one form or another. So let's stop kidding ourselves. The big federal government spending, and spending at all government levels — we're talking about deficit spending where the governments cannot afford it, and that includes municipal governments. If they can't afford it, it's deficit spending. Fortunately, at this time we have the dollars at the provincial level. I'm saying that has to be controlled.

Mr. Speaker, small business, the individual and family,

and the individual entrepreneur made this country. They will continue to make this country only if they're given half a chance. Thank you.

MR. ISLEY: Mr. Speaker, first of all I would like to congratulate the hon. Member for Drayton Valley for bringing forward Motion 206, which I believe I can say was three-thirds timely when it hit the Order Paper and is still two-thirds timely. After sitting with interest for the last half hour or so and listening to the eloquent speech by the Member for Edmonton Kingsway, as I stood I felt a little like the gentleman who married a widow with seven children: there's really not much left for me to do.

The motion has a triple thrust to it. It was aimed at the harmful economic, energy, and interest-rate policies of the federal government. I would like to touch briefly on energy and interest, and then spend a few minutes on economic policies. As the hon. Member for Edmonton Kingsway stated, I think we now have an energy agreement that is good for this province, for the country, and will eventually prove to be good for the energy industry. However, in a number of localities in this province, we still have a lot of the aftermath of the energy battle. I know there are a number of constituencies represented in this House where things that were planned to happen did not happen and still are not happening because of what in the past were the harmful energy policies of our federal government.

I happen to represent one of those constituencies where the Esso megaproject was almost ready for announcement in 1979. I submit it was probably closer to moving in 1979 than it is in 1981. I have a number of constituents whose first and foremost question still is: when is Esso going to go or what is Esso going to do? I have a number of constituents, particularly small business men who started businesses in anticipation of major growth based on that project, and have failed in their attempts to start. The only point I'm attempting to make is that yes, we have an energy agreement, but we still have problems existing in certain areas of this province that were caused by the lack of an energy agreement and the unfortunate energy policies the federal government took a year ago.

The interest rate policy, or non-policy — when you simply blindly follow the interest rate established in another country, I'm not sure you can suggest you have an interest policy. I think the hon. Member for Edmonton Kingsway made a number of good points with respect to the interest policy, how to go about bringing it down and improve our economy. I can recall sitting in this House last spring and listening to the hon. Premier speak on the interest rate and the economy when Governor Bouey of the Bank of Canada was sitting in the Speaker's gallery. I think those things are all on record. I am not going to repeat them, other than to say that that unfortunate interest policy, or non-policy, of the federal government is causing a lot of problems among the farming community, the business community, and people remortgaging their homes. I submit it is probably also causing some problem in the energy industry, when it looks at the cost of money to finance new projects.

Mr. Speaker, turning to economic policies — and I suppose if one is going to look at the economic policy of a nation, one should look at the budget put forward by the government of that nation. I spent some time looking at the budget documents. The more I look, the less impressed I am. If I were to go back a year ago, I would say the 1980 budget was an attack on provincial resource ownership, mainly through the guise of the national ener-

gy program, in order to get money into federal coffers. If I were to try to assess the 1981 budget, I would have to say it's an attack on the individual initiative of Canadian citizens, on the desire of Canadian citizens to be independent and self-reliant.

I'd like to move to some rather specific examples of why I say that. Quoting from tax preferences in the budget summary, it says:

The budget's cutback of tax preferences will remove inequities, reduce economic distortions and permit lower tax rates. Since the preferences most benefit high-income taxpayers, the progressivity of the tax will be increased. Some of the main changes:

The deduction for income-averaging annuity contracts, and reserve provision for capital gains, both of which allow deferral of tax, will be discontinued. The general averaging provision will also be withdrawn. A new forward-averaging mechanism will provide relief to taxpayers with fluctuating incomes.

Mr. Speaker, those tax incentives were withdrawn as of November 12, 1981, not the end of the fiscal year, not the end of the calendar year.

I'd like to look briefly at what impact that is going to have on many of your and my constituents. Prior to the November 12 budget, income-averaging provisions were normally available to any individual who received an inordinate amount of money in one lump sum, the most common examples probably being the taxable portion of capital gains from land sales and the disposal of inventory. When a farmer decided to retire and sold all his machinery, cattle, hogs, or whatever his operation was, he disposed of his entire inventory and the money received for that inventory was all eligible for forward averaging. When a small business man sold his business and the building or the complex he operated from, he would enjoy a capital gain which was eligible for forward averaging. When he sold his equipment or his inventory, whatever it happened to be, related to the type of business he was running, he could also forward average that total amount of money. People, such as athletes and artists, who make inordinately high salaries during their high earning years were allowed under that section of the Act to forward average those high salaries.

I think if any of you stop and assess farming and small business, probably the major incentive that keeps people in it is not that they take a better living during their working years but that they achieve a type of independence in operation and decision-making during those working years, and they have a chance of achieving independence at retirement time. The removal of the income-averaging provision is certainly going to change the amount of control retiring farmers and small business men have over their retirement, and hence is an attack against personal initiative and a desire for independence.

The other thing they removed was a reserve provision for capital gains. In selling a capital asset, individuals could really create their own income-averaging annuity without purchasing one, simply by selling the farm or the business to a family member, a friend, or someone on the open market and carrying the financing on that project or business. With the removal of the reserve provision, all the tax on capital gains is payable up front. So I think you're going to see the elimination of a form of financing that used to exist in the interplay between buyer and seller. What is being introduced in its place? As nearly as I can interpret the budget papers, the proposed forward-averaging mechanism would have the person who had the

eligible income pay an advance tax on it. If their income softened in years ahead, they could make a claim and get a refund. But the up-front tax has to be paid.

Let's look at a couple of other changes. I think the hon. Member for Edmonton Kingsway mentioned some of them.

The value of taxable benefit to an employee from use of a company car will be increased. The tax-free status of a number of other benefits ... including employer contributions to private health service and dental plans, free travel passes

et cetera, are now going to be taxed, which is going to affect a lot of employees out in the market place.

Benefits of low-interest or interest-free employee loans to buy a house or to purchase company shares will become fully taxable.

I think we're going to experience some problem with this budget in this province, especially in developing resource projects in remote areas where companies have tended to give a portion of home mortgages interest free in order to attract individuals to those remote communities. That progressive action by a company will now be taxed when it hits the taxpayers' pocket.

Another removal or attack on individual initiative and independence:

Deduction of interest on money borrowed to purchase registered retirement savings plans ... and other income-deferral plans will be disallowed on all new borrowings.

Under the previous budget, one method a wage-earner had to build up a better retirement was to take advantage of registered retirement savings plans. If he didn't have the money in his bank account, he could borrow that money and deduct the interest on it the next year. I believe it gave him a chance to compete with those people who had healthier bank accounts and could pay for theirs up front. Now he no longer has that chance.

Extended tax deferrals on accrued investment income will be limited by requiring taxation of such accruals every third year, including income on life insurance savings [of life insurance policies].

Prior to November 12, one other method in addition to income-averaging, that the retiring individual had to assure himself or herself of an income in his or her retirement years, was what was known as a tax shelter annuity, where after-tax dollars could be put in and no income tax paid on the interest earned. With this new budget, those are gone. So you have out the window the two mechanisms, if you wish, that farmers and small business men used to control their retirement.

Mr. Speaker, if there is a theme to this budget, I would have to say it is one of socialism. It's a theme that would probably be highly supported by the hon. Member for Spirit River-Fairview. Its goal is definitely to encourage us all to live in the same house, to earn the same wages, and to retire on the same type of pension plan.

Thank you.

MR. KOWALSKI: Mr. Speaker, I wish to join in the debate on Motion 206 this afternoon. Prior to beginning some of my comments, I would certainly like to provide my satisfaction and appreciation to the Member for Drayton Valley for initiating this motion and certainly acknowledge my two colleagues in the Assembly, the Member for Edmonton Kingsway and the Member for Bonnyville, for their eloquent remarks with respect to this subject. Both my colleagues raised a number of issues with respect to the recent federal budget, and went

beyond that to comment on some particular items reflecting out of the Canadian economy, which is at a position less than I suspect most of us would like to see it at.

Living in Canada in 1981, one difficult thing we have is a rather disastrous history of economic irresponsibility for much of the 1970s. Those of us who can look back to the early 1970s, particularly those years from 1973 through 1976, when Canada suffered from two very, very negative economic factors — double-digit inflation and high unemployment — were not living at a time of great optimism for the future. It was a very difficult time for me because earlier in my university career, I had studied some basic economics. From a theoretical point of view, it was suggested that those two kinds of environments, double-digit inflation and high unemployment, really didn't fit. They shouldn't both exist in the economy at the same time. Unfortunately, we can also recall the negatives of the 1974 wage and price control situation, which contributed further to the listlessness of the Canadian economy at that time and provided a rather negative and unhealthy approach to the future.

Unfortunately, the situation in 1981 is not much better. Just recently the federal budget, which was announced in the House of Commons by the Minister of Finance, Mr. MacEachen, really doesn't provide much hope for Canadians in the immediate short term. At this time in our economic development, nothing could be more disastrous to our economy than to have a negative federal budget. By themselves, Canadians have decided to show a considerable degree of restraint in recent months and years, because they are not quite as optimistic about the future as they might have hoped to be. The negative federal budget only adds further to the sorrowful approach we all have to the future. Of course, as we continue to look to the future in a less than enthusiastic way, we tend to take fewer risks, to spend less, and to take fewer chances in the economy. All three contributing factors consistently provide us deeper and deeper. It's unfortunate that the federal minister, in essence, brought about a number of taxation changes which, in my peripheral overview of the federal budget, would seem to indicate that they will not provide the incentives and expansion in the Canadian economy that perhaps is necessary at this time.

I'm sure all members will recognize what happened, how the investors in this country reacted to that federal budget. Following the federal budget, the first two days of trading on the Toronto Stock Exchange saw stock losses. Stock values on that exchange dropped some \$6 billion. That's a lot of dollars shared by a lot of investors in this country and, of course, only added further to the negative, futuristic view they all hold.

At this time, Mr. Speaker, I find it ironic that at almost exactly the same time the federal budget was introduced, another agency of the government of Canada, the one that put out Canada Savings Bonds for sale, realized such a successful intake of capital from the pockets of Canadians. While we're not sure exactly how much money was invested in Canada Savings Bonds in the fall of 1981, the best estimate seems to be that it's in the neighborhood of \$8 billion to \$10 billion. Even more remarkable is the fact that that money was lent to the federal government at 19.5 per cent. I suspect it's not so remarkable that Canadians would lend money to the federal government, but that the federal government would pay to Canadians 19.5 per cent, guaranteed for a minimum 12 months.

Those of us who would like to look to the future and hope that interest rates in this country would go down, continue to go down, and reach a manageable level for

most of us, I think are going to be hard pressed in the early part of 1982, and certainly the summer and early fall of 1982, when interest rates in this country unfortunately will appear to rise again. I simply don't understand how we as a nation can expect that interest rates will continue to fall in our country when the most powerful agency in the country, the federal government, is prepared to pay guaranteed interest at 19.5 per cent for a one-year term.

Even more disturbing to me from an economic point of view is that total federal spending forecasts are expected to grow again over the fiscal year 1981-82 through fiscal year 1982-83 and will rise in value to an expenditure level expected at some \$75.4 billion and to a deficit of some \$10.5 billion. Simply put, that means in the fiscal year 1982-83, our federal government will spend at least \$10.5 billion more than it has cash brought into its coffers. We all know that we have been following that experience in this country for a number of years. That simply necessitates that level of government borrowing more money so it can meet its — meaning "our" — debt commitments. Every time a federal government goes out to borrow money, it has to borrow in the same market all individuals in this country have to borrow funds in. By the very approaches, in an economic sense, they add pressure to the interest rate situation in this country and, in fact, drive it up.

Mr. Speaker, earlier this afternoon my two colleagues talked about some rather negative aspects of that federal budget. I want to highlight two, because they're the two that strike me as being most important at this time in our history. Today, one in 10 citizens in our country is a senior citizen. Best estimates are that within the next 30 years, one out of five Canadians will be a senior citizen. Because we've all heard and studied the very disastrous situation that has occurred to the Canada pension plan, we all know that it's on the verge of bankruptcy. It's remarkable to me that at the very time Canadians should be expected to be looking forward to their future, recognizing that demographic statistics projected over the next 30 years suggest there will be twice as many senior citizens per capita as there currently are, by that same token, by their very definition those statistics suggest there will be that many fewer people in the 20 to 40 age bracket. That would simply mean that in order to meet the debt requirements of the country at that time, each taxpayer will have to pay more and more as part of their total percentage income.

It's remarkable to me that in this budget introduced just a few days ago — and this matter has already been talked about by the Member for Bonnyville — Canadians will no longer be able to borrow money for investment in registered retirement savings plans and deduct the interest. Furthermore, it's my understanding that the top level for contributions and investments in registered retirement savings plans has been limited to \$3,500 for each working year of an individual, compared to the current situation which suggests the level is \$5,500.

As disturbing to me is the fact that only a month or two ago the federal Minister of Agriculture threatened to resign for the benefit of all Canadians and Canadian agriculture if the federal budget did not provide a dramatic level of assistance to farmers. Apparently, in the eyes of Mr. Whelan a very modest increase of \$50 million in total funding provided by the [Farm] Credit Corporation was supposed to resolve the situation for all agriculture in this country. Mr. Speaker, when you look at a total of \$50 million and at an average farm loan of \$200,000, if my



figures are correct you're basically looking at a new assistance program for some 250 farmers. When you look at the thousands of people who participate in that very important industry in this country, you don't have to be very astute to understand what limited impact that new adjustment in lending to the Farm Credit Corporation will have on agriculture in our country.

As well, it's amazing to me that on one hand, when they talk about attempting to encourage the family farm, a program this government so dedicates itself to, they then go and plug what they call loopholes. When a farmer is allowed to defer capital gains on the sale of a farm to a family member, I certainly don't call that a loophole. That was a way of life in agriculture in this country. Now, under Mr. MacEachen's definition of new economics in our country, it seems that that right, the right of preservation of the family farm in Canada, is being plugged because of a "loophole". Remarkable to me.

It's even more disturbing to me to realize that farmers will now have to declare all their taxable capital gains in the first year of the sale. If they can't come up with the cash to pay big brother in Ottawa, they're going to get a break because they will be able to pay back any money owing to the federal government in the first short term with a very attractive interest rate of 19 per cent — hardly a conducive situation for the improvement of agriculture in Canada.

If you look at the rest of the budget, there seems to be little or no help for struggling home-owners and certainly nothing I'm aware of that would assist small businesses. As well — and our provincial minister of finance was discussing some of these matters in another part of Canada earlier this week — we're now being told that our provincial hospitals, medicare, and assistance to universities is also in question and will be slashed.

Mr. Speaker, it is disturbing to me that when we look at the Canadian economy in 1981, there are a number of areas in which the federal government, in consultation with the provincial governments, should be doing some things. The area of most concern to me is agriculture. While we've always had tremendous potential in this country, that's been our biggest problem; we've never met that potential in finding all the markets available in the world. No doubt we have Canadian embassies, trade missions in all parts of the world. We have a very aggressive minister of state in our province, who searches for new markets for us. But it's questionable that the efforts currently being made by embassies in the 130-odd countries of the world are as aggressive as they might be. If Canada is going to sustain a growth from sea to sea that decades ago was the vision of many of our forefathers, we have to look at agriculture in 1981 and all through the 1980s.

In this respect, I am most pleased that this motion is here today, because it basically allows us an opportunity not only to comment on current economic situations in the country but, more importantly — because I think it is important that members do more than criticize; they should provide alternatives. Recently, in excellent consultations between some of our colleagues in the House and our aggressive Minister of Agriculture, new directions are being provided in terms of recommendations to the federal government to develop an agricultural food strategy for all of Canada for the 1980s. Alberta must take a leadership position. It's too bad that a federal government can't be the leader in the country but, once again, as in the questions of energy and the constitution, and

perhaps economics, we as well must be involved. This new agricultural strategy for the 1980s has to be developed with three partners in mind: the federal government, the provincial governments, and the private sector. We have unlimited opportunities. Statisticians suggest that by 1990, we can supply another 50, 60, or 70 per cent more food to the world than we are currently providing.

We all know there are always short-term experiences, short-term problems. Markets fluctuate. The demand for or shortages of commodities will consistently cause problems; that will always be with us. But that shouldn't stop us from trying to find new markets, trying to become more competitive, trying to become more intense in upgrading our share of the world market than we have been. We have tremendous opportunities in this province to produce more. A recent report provided to the government of Alberta by perhaps its most renowned meat consultant in recent years, Dr. Hugh Horner, my predecessor, certainly recognized that Alberta has a tremendous opportunity to develop some 10 million acres of land for increased and enhanced agricultural production.

Agricultural expansion in Alberta and in Canada will have very broad implications for our country and our economy. Without any doubt, an expansion of our agricultural output can stimulate growth in employment and income in the farm sector. Similar benefits would also accrue to the processing, distributorship, and farm supplies and service sectors that are all so dependent on the agricultural economy in many parts of rural Alberta and in most parts of rural Canada. As well, increased commodity exports will further strengthen our balance of payments. Canadians can grow excellent food; there's no doubt at all about that. Albertans have blazed the way in the world in many, many commodities. As an example, Alberta beef is well known where we have found markets for it. Alberta honey is considered by experts around the world as having the best taste of honey anywhere.

What do we have to do if we want to maximize our agricultural potential? As I said a little earlier, we have to do it in consultation with the federal government, with the private sector in this country, and we have to be in a position to provide degrees and levels of advice to a co-ordinator. If the government of Alberta is going to be the co-ordinator, then let's be it. But if in the short term the federal government chooses to exercise that option, we must be in a position to provide certain recommendations to it.

I'd like to highlight a number of things which I think will get agriculture back on its feet. I might add that our Minister of Agriculture has been very, very determined in this regard, and I've very much appreciated the consultations he's had with many of his caucus colleagues in developing this type of strategy. In essence, they are points that have been well defined and well addressed by him. I think we have to take a look at the tax incentives applied to the agricultural resource industry in this country. I've already talked about one so-called loophole: tax deferrals on the sale of a family farm from one member of that farm to another member of that farm. Heaven knows that if you want to create an agricultural industry, there has to be a situation whereby capital can move from one individual to another if it's all part of a family organization.

From time to time, it's disturbing to me that we seem to believe that many agricultural businesses must be owned by an individual. We seem unable to comprehend the situation that three, four, five, or six people might get together to create a farm enterprise. When those five or

six people apply to such institutions as the Farm Credit Corporation, and to some degree even to such institutions as the Agricultural Development Corporation, they have a difficult time convincing loans officers that loans should be provided to them, because they are a group of four, five, or six. Certainly tax incentives, manipulations of the tax system to the advantage of the individual, are important.

A second point in looking at the Canadian economy in an agricultural point of view is that the concept of a price insurance plan or an income-averaging concept is necessary to ensure and achieve some degree of commodity stabilization. There has been considerable debate in the Legislative Assembly in this fall session about the consistent need to draw to the attention of federal cabinet ministers the need to move on some kind of assurance program that will help our cattle producers. Alberta has provided encouragement to the federal government to move in that regard. Unfortunately, to this point they have not.

There are people who would suggest that this kind of price assurance program is a form of socialism. Well, that's a red herring. That's no more socialistic than when we have an opportunity to go to an insurance broker and buy insurance on our homes. The same concept prevails. We basically share the risk and the problems in dealing with that. It is no more difficult than for any of us to share the purchasing of a roto-tiller or something else with a neighbor: we're just sharing the risk and reducing the input costs. Certainly that point is one that has to be moved on. Heaven knows, many right-wing ultraconservatives in this country belong to such things as the fowl producers' and the turkey producers' marketing boards. I've never met more ultra right-wingers. Yet they're all part of a price stabilization concept that allows continuous supply, which is even more important than a modest income return.

Mr. Speaker, as well we have to move in another area, and that deals with the statutory rates, the Crowsnest rates. We've already had considerable debate in this Assembly on that issue. I think it's very well known that a consensus is apparently being developed in the west, and I think it has to be directed. I understand that the federal government is supposed to come back and make an announcement here in the short term. I think we all wait with bated breath to see exactly what that suggested resolution will be.

We have to continue to look at the advantages various provinces have in agricultural production in this country. Some provinces have advantages in producing certain things because of topography, grass, environment, sky, or water. As it would be nonsensical to develop a Bricklin car company in the province of Alberta to take on the Ontario car manufacturing monopolies, I suggest it would be just as foolish for Prince Edward Island to say that it wanted to use the treasury of that province to create the largest cattle industry in the whole country of Canada. Alberta has had a consistent advantage in the development of livestock. We've produced excellent, fine-quality beef animals. Our advantage in that market place in Canada must be retained. It will be a very negative situation if treasuries from other provinces are consistently brought in to stimulate encouragement of production so it works to the disadvantage of the producer in the province of Alberta.

Mr. Speaker, we have a motion on the Order Paper in this Assembly in a fifth area, dealing with the wheat situation in the country. I really want to say little more

than just to highlight it as one area in terms of recommendations we can forward to the federal government to ensure increased efficiencies and productivity.

Research is the one area a lot of people talk about, and of which all of us have a difficult time appreciating the results. It seems to be so intangible and difficult to see an immediate response and reaction. Our province has taken a real leadership position in Canada with respect to research. It's an area that must continue to be developed in the province of Alberta. We have the great advantage of Alberta brain power — and I don't mean to be chauvinistic — that's eager to get further involved in the concept of research in this country. It has to be continued and done in consultation with federal agencies that can provide an overview of what's happening in the whole country.

Along with research comes the need to share the technology developed in other parts of the country. It should be a shared thing. One should share it in more ways than simply sending documents from one part of the country to the other. We should also move scientists, hardware, and the software technology that is available, and move on it in a very aggressive and basic way.

In 1981, the agricultural sector is facing some problems it doesn't have to through the remainder of the 1980s. It certainly does not have to be in a difficult situation in the year 1990. It can improve if at various levels of government in this country, we're determined to find new markets, to encourage Canadians to eat Canadian food, to encourage Albertans to eat Alberta food.

Mr. Speaker, I wanted to provide those comments in reaction to the motion put forward by my colleague from Drayton Valley. At this point, I beg leave to adjourn the debate.

MR. SPEAKER: Having heard the motion to adjourn the debate, do you all agree?

HON. MEMBERS: Agreed.

207. Moved by Mr. Cook:

Be it resolved that the Assembly urge the government to initiate a study of the present statute law, regulations, and public policies of the government with respect to energy conservation, with the objective of identifying provisions which may have the effect of discouraging conservation, identifying possible areas of change to maximize conservation, and to develop a province-wide policy, both with respect to the activities of the public service and an appropriate role for government, to encourage energy conservation and discourage energy waste in the province.

[Debate adjourned May 14: Mr. L. Clark speaking]

MR. L. CLARK: Mr. Speaker, Motion 207 simply urges the government to initiate a study of the present laws, regulations, and public policies in regard to the conservation of energy within Canada. I would like to compliment the Member for Edmonton Glengarry for putting this important motion on the Order Paper. As we're importing 15 to 20 per cent of our energy, in my estimation it's very important that we have some conservation measures in place.

I spoke at length on this motion in spring session, Mr. Speaker, and I don't really intend to speak on it that long today. I would like to bring to this Assembly a few ideas for the conservation of energy. Since the spring session started, we have had a new energy agreement which we

hope will go a long way toward bringing Canada closer to self-sufficiency in energy. Even with the energy agreement, there are a lot of areas where we can find ways of conservation that will be beneficial to all Canada. I believe we should find ways of conserving energy, even though Alberta is very fortunate that it has quite a reserve of energy in coal, oil, and other areas. But what are we really short of in energy in Canada? We're really short of light and medium crude, from which we derive all our diesel fuels and gasoline which powers everything that moves within this province: cars, trains, trucks, farm implements, and all the heavy-duty equipment. I think it's very important that we begin to conserve this mobile fuel here in Alberta.

We have started to put in place in cities a light rail transit system that I suppose would have the effect of saving energy in that a lot of people can ride this downtown from the outskirts of the city instead of taking their cars. Although we are spending a tremendous amount of money to put in light rail transit and upgrade transit systems within the two cities, I find it a little discouraging that we still have huge parking lots at all our coliseums and auditoriums, which give people the choice that they can still drive if they wish. Mr. Speaker, if we are really serious about conserving energy, maybe our cities should have a policy that would encourage people to use the LRT and transit systems within the cities and discourage the use of private cars.

In North America today, if you give people a choice whether they drive or ride a transit system, they will drive because it's a tradition that everybody has a car. Once they get to be 16 years old in Canada, everybody has a car and they like to drive it. If you give them that chance, they will drive it. So maybe our cities should look at policies to encourage people to ride on their transit systems. It would have the effect of saving energy and, at the same time, it would probably make their transit systems a more paying proposition.

As far as saving energy is concerned, I'd like to speak to one other area for just a minute. I believe we should be looking at alternative sources of energy. If you use an alternative source of energy wherever possible, I believe you can probably make the most savings of all. I just happen to have an example that comes to mind; that is, using wind energy. I believe I put a motion to that effect on the Order Paper not so long ago. If we could use wind energy for pumping water in southern Alberta for both irrigation and drainage, it would save a great deal of drain on diesel fuel, electrical power made from our coal reserves, and on the natural gas supplies. I believe it is in this area that we could really make the most savings on energy and prolong the life of our most valuable commodities which, at the present time, are our mobile fuels: light and medium crude diesel fuel, and the like.

As you well know and as I said on the motion on wind power, a fund is set up especially for developing an experimental project. Money for these developments is in place. I believe we should go ahead, use this fund now, and try to find just how much potential there is in this very important alternative energy we have in southern Alberta.

I would again like to compliment the Member for Edmonton Glengarry for putting this motion forward, and I ask the Assembly to support it.

MR. D. ANDERSON: Mr. Speaker, I am happy to participate in debate on this motion this afternoon. In short, I think the timing of this motion is good and the

topic is most appropriate. That's at least partly due to the fact that not too long ago, we completed an energy agreement that, while good for Albertans, will indeed increase the cost of energy to the people of this province over the next number of years.

The city of Edmonton has estimated that the cost of heating an average 1,200 foot home will go from approximately \$525 in 1981 to about \$1,100 in 1986, at the end of that energy agreement. Of course, we know that that won't be the only area in which prices will increase. Commercial buildings will face increased cost. Industrial uses will certainly increase the cost, particularly fertilizers and petrochemicals. In our agricultural community, there will be an increase in diesel fuel costs and other needs. Transportation, of course, will be one area in which costs will increase fairly dramatically over the next five or six years.

If we want to do something about those increasing costs, I guess we can consider three different approaches. The first would be to keep the prices down artificially. I think all members of this Legislature would oppose that move. We fought long and hard with the federal government to try to bring prices up to a realistic level, and achieved that in the energy agreement. We know that to keep those prices down would be to do away even quicker with a commodity which is so short-lived in this province.

The second would be similar in nature. We could try to subsidize the cost of energy, oil and gas in particular. Of course, that would have two major problems. It would increase the cost to the taxpayer to a great extent, causing a major drain on the Treasury of this government, and it would not at all discourage the use of energy but encourage it over the years and have us run out of those commodities at a much quicker rate than we normally would.

The third approach would be to do as the hon. Member for Edmonton Glengarry suggested in his motion; that is, look at the possibility of further conservation methods. Indeed, that's not as easy a solution as many people would think. There's no doubt that conservation is even more difficult in a province where a great deal of energy is currently available, than it is in other places where people can see the need for conservation in the immediate future.

I guess I have some direct experience with that, in terms of years past when I ran recycling operations in Alberta. At that time, I realized there are really only two ways to encourage people to conserve energy. One was by making it easy. If you picked up at the door the paper, glass, and whatever else you were trying to recycle, you could usually get it. But if you asked them to take it a couple of miles to a depot, that was very difficult unless the second possibility was there; that is, making it economical by paying for it. None the less, I think we can investigate a number of areas that could encourage conservation. I think it's important that the hon. member has put in his motion the possibility of investigating and dealing with this issue in depth, because conservation methods, if not properly researched, can sometimes do more harm than good.

Two examples from experience would be: one, that the move in the late '60s towards trying to conserve the forests and stop all forest fires saw the Smoky the Bear commercials being very successful across the country, and ended up in far fewer fires than would naturally take place. Not only were they stopping those that were the result of carelessness in terms of campfires and cigarettes, but they stopped those fires which resulted from lightning

and other sources that allowed for spaces in which animals could live in the forests and that also allowed for the stopping of major forest fires because natural blocks were there from the small sporadic fires that took place. I guess that's one example of how not properly researching the end result of conservation can do you more harm than good.

The other one I was personally involved with. As a pilot project in the organization I operated, we collected glass, sorted it, crushed it, scraped the labels off the bottles, and shipped glass from Calgary to Redcliff, Alberta, to be recycled. After an evaluation, we found that we expended more energy in the process of recycling that glass material than would be expended in getting the sand and starting anew in making glass bottles with that renewable resource, which is sand and the other elements necessary to make glass.

Having said that, however, we should seriously consider looking at a number of areas in the future with respect to conservation. For example, the housing industry in Alberta has moved more and more toward higher standards of insulation and better ways of conserving energy. The Housing and Urban Development Association indicates that 60 per cent of the materials used in that kind of conservation still comes from outside the province. We could easily begin to encourage the industries we will use in the province to locate here, thereby making the materials perhaps more affordable and being able to encourage that kind of conservation to an even greater extent.

Recycling industries: indeed, there are a number of them in the province at the moment. One that comes to mind is IKO Industries in Calgary, which takes in old newspapers and cardboard boxes and makes shingle products out of them. Still, about 50 per cent of the paper they take in at any given time is shipped off to the coast for recycling, and sometimes from there to Korea. We could do more to encourage industries in the recycling area to begin in Alberta, if we evaluate properly what the true cost of replacement will be in future.

Transportation is obviously an area we need to look at. Rapid transit systems in Calgary and Edmonton have started. We're looking at public transportation to a greater extent and, I believe, have to look further at that option. The hon. Member for Drumheller properly pointed out that one problem with respect to that is that we are currently building roads and parking lots to encourage cars to continue to use a great deal of energy and, at the same time, are moving ahead with public transportation. While I feel that's necessary for this period of time while we're in transition between more public transportation and less personal transportation, I agree with the member that in the future we're going to have to set priorities in that area, if nothing else.

As he suggested, we also have to begin to look at car pools and van pools, which I understand have been quite successful. The 3M Company has been fairly successful in encouraging its employees in that kind of thing. It looks like it could be applied generally. A special lane for car pools is an option many cities have exercised, and that seems to be having some positive effect in American cities and could potentially do the same here if we considered that possibility. There are dial-a-ride programs and quite a number of other options, such as performance stickers for vehicles so people would know the energy efficiency of the vehicle they may be purchasing. Indeed, we could also go into areas related to education in general, and into research quite directly to look at alternative sources,

as the hon. Member for Drumheller suggested.

In conclusion, Mr. Speaker, I would only say that among several other areas, these are potential topics to be investigated, researched, looked into and, I hope, acted upon in some way once that responsible research is done. In my opinion, any programs have to be the type that give incentives and encourage people to properly look at the replacement value of energy being lost, that do not penalize or attempt to artificially create situations in the market place which we're not ready to take. In presenting this motion, I feel that the hon. Member for Edmonton Glengarry has given us the opportunity to investigate all those possibilities and to develop a long-range, comprehensive program of encouraging, not forcing, conservation in this province. I applaud that direction, and support Motion 207.

MR. PAHL: Mr. Speaker, in rising to participate in Motion 207, I note that it's been some time since the motion was before the House. For the benefit of those ardent readers of *Hansard* who perhaps would not have a ready reference to the start of the debate as it progressed in the spring, I simply read Motion 207 again:

Be it resolved that the Assembly urge the government to initiate a study of the present statute law, regulations, and public policies of the government with respect to energy conservation, with the objective of identifying provisions which may have the effect of discouraging conservation, identifying possible areas of change to maximize conservation, and to develop a province-wide policy, both with respect to the activities of the public service and an appropriate role for government, to encourage energy conservation and discourage energy waste in the province.

Mr. Speaker, I've listened with a great deal of interest to the contributions today. Before rising, I reviewed the comments of the hon. Member for Edmonton Glengarry, the hon. Member for Barrhead, who also participated, the hon. Member for Calgary Forest Lawn, and of course the contributions previously and today by the hon. Member for Drumheller and the hon. Member for Calgary Currie. In reviewing the comments of hon. members, I think the topic has been very well explored.

The points that the mover of the motion, the hon. Member for Edmonton Glengarry, put forward were appropriate. He basically emphasized four points. The first was with respect to initiating an energy conservation program. The first one was a public information program. The second was an emphasis on pricing policies. As members have already commented, the event of an energy agreement and a pricing schedule in the future, that I suppose brings home the reality of the commodity price of crude oil and its derivatives and natural gas, will provide that response. Similarly, the hon. Member for Edmonton Glengarry suggested incentive schemes to encourage energy conservation. The final point the hon. member stressed was the establishment of regulations and standards that set conservation objectives.

Mr. Speaker, I would not argue with those objectives or with the priority given. I found that perhaps he moved a little too quickly, for my inclination, to regulations that would lead the way. I have a bias for letting the market place and the price mechanism lead the direction people go, but I do acknowledge the concept that government could show some leadership.

In reviewing the remarks of the hon. Member for Edmonton Glengarry, I noted a few comments on the

other side of the coin that I would like to put on the record. For example, he was very, very critical of the situation where natural gas royalties are not charged pre-processing; they're charged after the processing. In fact, that does lead to some energy waste. I agree with the hon. member that that situation should be addressed in the future and that the possibility of providing more incentive for energy conservation be looked at by regulatory agencies and the industry. However, in fairness it's worth pointing out that in the early stages of development of Alberta's natural gas industry, gas was very much a nuisance. It was an unwanted by-product. In fact, it wasn't in any way competitive in the sense of building a pipeline. So the economics that dictated the development of the now very strong and viable natural gas industry, dictated that some priorities with respect to conservation of energy were less emphasized.

Mr. Speaker, the hon. Member for Edmonton Glengarry also made the statement that our Department of Environment encourages urban sprawl. Had the hon. member another opportunity to participate in the debate, I suppose he might even accuse the Department of Housing and Public Works of encouraging urban sprawl. I represent Edmonton Mill Woods, which is a new area of Edmonton and certainly one that, in fairness, would be defined as having been planned by governments. It had some given parameters, but the urban area was really planned by governments. If you look at Edmonton Mill Woods, it has an extent of 21.5 square miles. If you rank it alongside countries on a density per square mile basis, Edmonton Mill Woods would rank as the 13th most densely populated country, according to 1979 population density statistics.

So, Mr. Speaker, I must rise to the defence of my cabinet colleagues, particularly their predecessors, to say that we aren't setting such a bad record in our urban sprawl. When I figured out that statistic for myself, I have to admit that perhaps my concerns about appropriate densities for LRT are closer than I first thought.

Mr. Speaker, I agree with a good deal of the debate on Motion 207 on record to this point. I think we're on the right track. If we take the priorities of the hon. member who moved the motion, I would put them in a slightly different way. With respect to energy conservation programs for the province, I think we should first look at creating an awareness in the general population and providing information so people can make intelligent energy conservation decisions on their own, or at least make decisions with the best available information. When we're addressing the issue of attitudes surrounding energy conservation, I think we should look to the example, alluded to in part by the hon. Member for Calgary Currie, relating to the Smoky the Bear campaign to prevent forest fires. Another analogy would be environmental concern and preventing litter. That started with the young and, quite frankly, not to litter is ingrained in their consciousness. That's why if we're going to have effective energy conservation programs, I think we should appropriately start with the young in school and provide information to young people particularly, so their attitudes with respect to energy conservation and the finite nature of our resources can grow over time from a very early age.

I think the second area where governments can provide a useful function is in initiating or stimulating demonstration projects. In saying that, I also suggest that the initiative need not only be with government. I refer to the excellent example of the housing industry under HUDAC, which provided demonstration housing proj-

ects in both Calgary and Edmonton. Although somewhat out of the market price range, those houses demonstrated to people on a walk-in basis what could be achieved in terms of energy conservation.

I think the third area that would lead to an effective energy conservation program for the province would be in providing incentives. My main point is that the main incentive should be to save money. With rising prices, there will be that strong incentive to save money. If you couple that with an information program that explains to people how they can reduce energy consumption costs — for example, in the home by insulating basement walls or adding more insulation to the ceiling, but not necessarily overdoing it because there comes a cost/benefit trade-off. But certainly an incentive has to be in the price mechanism and, in effect, saving money by avoiding the costs of increased energy.

The final area is in regulation, and I would use this as the last-ditch alternative. I agree in part with the hon. Member for Edmonton Glengarry when he put some emphasis on regulations such as insulation levels as they have now been incorporated into the Alberta Building Code.

Moving back to the first area, awareness and information: in reviewing the debate to this point, I thought there was an undercurrent or suggestion that our government had not been particularly active in this area. I simply would like to point out briefly that a group in the Department of Energy and Natural Resources, entitled the energy conservation [branch], is very active in providing publications to both the general public and schools. They've circulated a good number of those. Also, in co-operation with Alberta's utility companies, they have a promotional program directed to hotels, motels, and restaurants. They have developed a whole series of how-to booklets in terms of providing Albertans with the information required to conserve energy. Those are available at school book branches, treasury branches, licensing offices, and a number of other outlets. The energy conservation branch of the Department of Energy and Natural Resources has also participated with displays at the Calgary stampede, the Edmonton exhibition, Edmonton Centre, the Strathcona science centre, the Saskatoon energy conference show, solar fair in Edmonton, and a host of other activities.

While I'm on my feet, I think it's also worth pointing out to hon. members that the provincial government has participated in the energy bus program. This program is jointly sponsored by the federal and provincial governments. A bus, well equipped with computers and other devices for measuring energy use, visits on invitation industries throughout the province and conducts an energy audit for a nominal fee. Mr. Speaker, the findings of that program have been that virtually any organization that hasn't much priority on energy conservation can save up to 20 per cent of their heating costs through changes in operating procedures and whatnot, that don't require capital investments. They've also found that some of their capital investments in energy-saving devices tend to pay off very quickly; some in as few as six months. If my memory serves me correctly, I think the average is about three years.

Mr. Speaker, I think I've added the point I wanted to make. I think the debate is pretty well on track, but it's worth emphasizing that times change. Energy conservation is a moving target. I don't think we should rush into regulations, because we may find that the regulations pass by events that I think will be mainly solved by price

mechanisms. I'd also like to re-emphasize my view that initiatives are going on in government, and we should approach this area with the emphasis on information and awareness and less on regulation.

Thank you, Mr. Speaker. I beg leave to adjourn the debate.

MR. SPEAKER: Is it agreed?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, this evening the House will consider second readings of certain Bills on the Order Paper and, should there be sufficient time, perhaps some additional Bills on the Order Paper for study by Committee of the Whole; also, if time warrants, perhaps some consideration of supply.

[The House recessed at 5:27 p.m. and resumed at 8 p.m.]

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

**Bill Pr. 3**

**The Dental Mechanics Amendment Act, 1981**

MRS. EMBURY: Mr. Speaker, I am very pleased to move second reading of this Bill. Its main purpose is to permit dental mechanics to hold themselves out and advertise under the name of denturist. In addition to the present descriptions of dental mechanic and certified dental mechanic, the Bill does not purport to give any exclusive use to the expression "denturist".

DR. BUCK: Mr. Speaker, I'd like to give members of the Legislature a brief outline of some quite ancient history on the Bill before us. I remember how they thought it was such a historic occasion in this Legislature when one member of the government voted against a government Bill on some issue. I don't know if it was the hon. Member for Calgary Buffalo; I guess it was. That was the first time someone voted against it.

I'd just like to indicate to members of the Assembly that on another occasion, about 12 years ago, I was sitting on that side of the House when some legislation was brought in that I didn't think was in the public interest. I used my knowledge as a member of the profession I belong to in indicating to the Assembly why I opposed the Bill. We had quite an interesting vote, Mr. Speaker, because there were 55 or 65 members of the Assembly at that time and eight or nine opposition members here. We had a free vote, which is very interesting. To my knowledge, it has never happened in this Assembly with this government. But at that time it was not that unique. We did have the right to stand and be counted. The strings were taken off, the whips were taken away, and members could represent their constituencies as they felt they wished. My, but the times have changed, Mr. Speaker.

AN HON. MEMBER: You lost the election.

DR. BUCK: We lost the election.

MRS. OSTERMAN: What about the Bill, Walt?

DR. BUCK: We'll get to the Bill, but you want a little history. [interjections] No, I know you don't want a little history; of course not. The members on the other side of the House are so used to doing what they're told that they wouldn't want to hear a little history, that maybe at one time members of this Assembly could vote as they wished.

Anyway, at the time of the passage of The Dental Mechanics Act we had a divided vote, and it was a lot closer than people thought. Cabinet solidarity, rather than caucus solidarity, really carried the vote. But the vote was fairly close. If I recall, at that time Alberta dental mechanics wanted to be called denturists. I'd like to indicate to members of the Legislature the subtle — and I do call it subtle. In dentistry, a person who is a specialist dealing in dentures is called a prosthodontist. Now we are amending The Dental Mechanics Act to call them denturists. There is that subtle change, which may seem insignificant, but what this group of people is subtly trying to do with the change from dental mechanics to denturists is to call themselves specialists in denture construction. When a general election will be coming up fairly soon, in either the next six months or the next 18 months, I'm very surprised that the government would put out their necks and stir up a large professional group in this province. But I guess the practice of this government is not to worry about special interest groups.

Mr. Speaker, I wish to say that I am going to oppose second reading of this Bill, because I don't believe it's in the public interest. This group of people is going to put themselves out to be something they're not. I've looked at some of the arguments that dental mechanics do not want to be called dental mechanics because people think they run around fixing dental equipment. But for many, many years the general public in the province has known that dental mechanics are licensed to do direct work with patients, without any medical supervision. They are trained in the mechanical aspects of denture construction; they are not trained in any health profession or associated health profession.

I really think members of the Legislature should have a close look at what we're proposing to do. It's become historic that once a private Bills committee brings in a recommendation to the Assembly, it's almost automatic that it goes through without members of the Assembly really knowing what we're doing with private Bills. I would like to bring to the attention of members of the Legislature that what we're proposing to do is not quite as insignificant as the members of the private Bills committee seem to think it is.

MRS. OSTERMAN: Mr. Speaker, just a couple of comments. I'm sitting here in my place quite surprised by the remarks of the hon. Member for Clover Bar. There are a great many of us. We can't sit on every legislative committee. Maybe in our ignorance, I guess, we think the committees which look after such things as private Bills in fact have the information from the professions that would be concerned. My understanding is that, number one, the dental profession only wrote one letter and didn't even appear before the committee and, secondly, the hon. member who has just spoken is a member of that committee. I wonder if he made his arguments to that committee long, loud, and clear and, in spite of that, they brought forward this recommendation that this private Bill proceed. I'm quite surprised at that.

MRS. CRIPPS: He had a free vote.

MRS. OSTERMAN: Possibly this says that our committee system in this Legislature isn't as effective as it should be. I'm really concerned that the dental profession, if the hon. member now is more or less saying it's because of being a member of that profession, is really upset about this particular Act.

MR. GOGO: Mr. Speaker, with regard to the Bill and the comments. The Member for Clover Bar, for whom I have the greatest respect, has somehow left his role as the Member for Clover Bar and is now speaking as an honorary and paid-up member of the ADA. This argument was carried on with a province that entered Confederation over 100 years ago, Manitoba. I'm sure the Member for Clover Bar is well aware that in 1964 there was a concentrated effort by the dentists in that province who went through this. The will of the people won, in that their Bill was admitted and denturists are a fact of life. In listening to the arguments of the Member for Clover Bar, I have no difficulty at all in thinking it should be otherwise. I'm a little surprised that if he is a member of that committee he didn't attend those meetings.

When we look at the extended health care benefits of our 170,000 senior citizens who utilize these people day in and day out, certainly their place in the sun has arrived. I have no difficulty at all in endorsing this Bill on second reading.

MR. WEISS: Mr. Speaker, if I may, most of my questions have been answered in response to the Member for Three Hills. But I'd like to ask a question of the Member for Calgary North West, if she'd permit.

MR. SPEAKER: The member is perfectly entitled to include questions in his speech if he wishes.

MR. WEISS: Thank you very much. I am concerned and would like to ask the Member for Calgary North West to inform the Assembly: is this a standard practice or a model Bill? What is the procedure throughout North America with regard to the denturists' Bill?

MR. KNAAK: Mr. Speaker, I'd like to participate in the debate very briefly, not as chairman of private Bills but as a member of the Assembly. The Member for Clover Bar, a distinguished dentist, is a member of the private Bills committee, and I'm sure we all would have appreciated his input. I should also say that an invitation was sent to the dentists to appear before the committee to make their views known. There was also unanimous approval of this recommendation by the private Bills committee, those in attendance. If our system is to work, it seems to me that those who have particular interest and expertise on a matter should appear, especially when they're already members, and make their point forcefully.

To their credit, the dental mechanics had a well organized, well presented presentation, and it was acceptable. As a final point, I might say that we as politicians are sensitive, as we all know, to the votes of large pressure groups, and we take that into consideration. But it seems to me that it would be a sad day for democracy if the minority interest groups always had to yield to the will of the majority if their interests compete. To some extent, they are competitive here. They've requested a reasonable amendment; they're known as denturists in most parts of

North America. I think this Assembly should support this private Bill.

MR. SPEAKER: May the hon. Member for Calgary North West conclude the debate?

HON. MEMBERS: Agreed.

MRS. EMBURY: Thank you very much, Mr. Speaker. I'm very pleased with the debate we've had tonight on second reading of this Bill, considering it has to be one of the shortest amendments to any Bill, primarily one word. I appreciate the comments from the Member for Clover Bar. It might be called a vested interest, but I think that's a legitimate concern. I want to assure the member that I have the support of members of this Assembly, and I'm quite sure we'll come to fruition on the vote. As the Member for Edmonton Whitemud stated, this Bill has been before the private Bills committee since spring, and a lot of thought and interaction has gone into the decision we have reached tonight.

I would like to state that there has been some alleged controversy from the dental association in the province of Alberta. There is also some confusion regarding this amendment. Originally, the dental mechanics applied for the Bill under the name "denturists" and were not granted it. However, as stated before, with times changing, we have found over the last 10 years or so that the name "denturist" is much more understood by the public today than "dental mechanic". The term is commonly used in North America and is certainly showing more and more evidence of being used in Canada. In response to the Member for Lac La Biche-McMurray, I believe 39 states in the United States and six provinces in Canada use the word "denturist". I think we are more aware today of the exact functions of the denturist. I certainly hope members of the Legislature support this private Bill.

[Motion carried; Bill Pr. 3 read a second time]

#### **Bill Pr. 2**

#### **The Honourable Patrick Burns Settlements Amendment Act, 1981**

MR. KNAAK: Mr. Speaker, on behalf of my colleague Mr. Oman, I'd like to move second reading of Bill Pr. 2, The Honourable Patrick Burns Settlements Amendment Act, 1981.

The purpose of this private Bill is to expand the scope of the trust in terms of the beneficiaries to which it can be disposed. Originally, the funds were designated only for spouses, widows, and orphans of policemen and firemen. Because widows and orphans of these two groups are now being taken care of to some extent through different means, funds were accumulating. The amendment and change in the legislation is to permit funds that can't be reasonably used for the original purposes I indicated to now be applied to indigent and destitute children.

[Motion carried; Bill Pr. 2 read a second time]

#### **Bill Pr. 13**

#### **The Calgary Foundation Act**

MR. KNAAK: Mr. Speaker, on behalf of my colleague Mr. Musgreave, I'd like to move second reading of Bill Pr. 13, The Calgary Foundation Act.

The purpose of this Act, firstly, is to change the name

from the Calgary and District Foundation to The Calgary Foundation Act; to in effect do some housekeeping amendments; and to substitute a new Act for the old Act.

[Motion carried; Bill Pr. 13 read a second time]

**Bill Pr. 14**  
**The Richmond Gate Trust Company Act**

MR. PAHL: Mr. Speaker, on behalf of the hon. Member for Stony Plain, Mr. Purdy, I beg leave to introduce Bill Pr. 14, The Richmond Gate Trust Company Act.

This is a standard request to incorporate a trust company under the laws of Alberta. It has been reviewed by the private Bills committee and unanimously supported.

[Motion carried; Bill Pr. 14 read a second time]

**Bill Pr. 15**  
**The North American Commercial Trust Company Act**

MR. PAHL: Mr. Speaker, I beg leave to introduce for second reading Bill Pr. 15, The North American Commercial Trust Company Act, standing in my name on the Order Paper.

It is a standard incorporation of a trust company under the laws of Alberta. It has been reviewed and unanimously supported by the private Bills committee of the Legislature. In introducing it, I would like to read a request for an amendment. Section 4 of the Bill is hereby amended by striking out "\$3,000,000 consisting of 300,000 shares" and substituting "6,000,000 consisting of \$600,000 shares". This amendment was requested by the proposers of the trust company, and I think reflects their optimism and need for capitalization in Alberta's economy.

MR. SPEAKER: I'm sorry, perhaps I've missed something. As I read Section 4 of the Bill, it refers to "\$3,000,000 consisting of 300,000 shares with a par value of \$10." Is that not what is intended?

MR. PAHL: Mr. Speaker, I would ask that it be amended, substituting: \$600,000 consisting of 600,000 shares.

MR. SPEAKER: In that event, we could say that the Assembly might approve the principle of the Bill now in second reading. But that amendment, I would respectfully suggest, would have to be made in committee.

[Motion carried; Bill Pr. 15 read a second time]

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

**Bill 89**  
**Solicitor General Statutes**  
**Amendment Act, 1981**

MR. HARLE: Mr. Speaker, I move second reading of Bill 89, the Solicitor General Statutes Amendment Act, 1981.

Hon. members will recall that earlier in these sittings Bill 71, the Summary Convictions Amendment Act, 1981, was introduced. This amendment we're dealing with in

Bill 89 is part of a package that really should be looked at together. The purpose of the amendments is to amend three statutes: The Motor Vehicle Accident Claims Act, The Motor Vehicle Administration Act, and The Off-highway Vehicle Act.

The amendments to The Motor Vehicle Accident Claims Act are to change a basic principle in that Act: that only when a claim exceeds \$100 — this is for damage to property — is the full amount of the claim paid. Under the present Act, if the claim is for \$99, for example, the claimant gets nothing, but if the claim is for \$101, the claimant gets the full \$101. The proposed amendments are to make it a true deductible of \$200, rather than the old principle in the present Act.

I might say that two types of claims are made under The Motor Vehicle Accident Claims Act: one in the instance where an uninsured vehicle has caused the accident, and the other is the hit-and-run type where it is not known who is the owner or driver of the vehicle alleged to have caused the damage. Under the present system, of course, claims are made by individuals whose vehicles are usually the subject of the claim against the fund and who have not any damage insurance on their vehicle. There are about 3,000 such claims, or at least there were in the 1980-81 fiscal period. A little over \$1 million was paid out on those claims.

The largest claim on the fund for property damage, however, is for situations where the person making the claim carries collision insurance and there is a deductible on that insurance. Of course, the insurance company can't claim against the fund, but the individual can claim for his deductible. At the present time, in the same fiscal period, there were about 7,000 of those claims on the fund amounting to about \$2.1 million in payout. I think hon. members can see that the largest number of claims that would be affected are in fact situations where the individual is claiming the amount of his or his deductible from the fund.

The other point I should make is that I think the insurance industry has found in this past year that the average claim for damages is just a little under \$900. While the total amount of claims against the fund may vary slightly, because of course the fund isn't interested in total claims where a certain amount is covered by insurance, I would suggest they are subject to the same averages as the insurance industry.

The second principle in this Bill relates to an amendment in The Motor Vehicle Administration Act. There are two areas. The first is to raise the reportable level of accidents from the present \$350 included in the legislation to \$500 as proposed. In this regard, I might say that I received requests from both the city of Edmonton and the city of Calgary police for an increase in this reportable level. I think hon. members will all realize that \$350, established some years ago, is probably an inadequate amount today because of inflation, if the same level of reporting were to be expected as when the amount of \$350 was originally introduced. The police forces asked for larger amounts. One asked for about \$1,000 for a reportable level of accidents, and the other \$700. Picking a figure of \$500 for this amendment is really a matter of judgment.

I think the other principle is a much more serious one from the point of view of the concern all members in this House have for the situation involving suspended drivers. A case went to the Supreme Court of Canada that involved a charge of suspended driving laid under Section 238 of the Criminal Code of Canada, which of course is a



piece of federal legislation. The Supreme Court of Canada ruled that it was beyond the competence of the federal Parliament to create that particular offence. This resulted in the fact that prior to this occurring, when one was convicted under Section 238 of the Criminal Code, The Motor Vehicle Administration Act went on to say that the result of being so convicted was a six-month suspension. When the court threw out that section of the Criminal Code, it left somewhat of a gap, in that while The Motor Vehicle Administration Act of this province had a provision for driving while suspended as a provincial offence, it did not carry with it upon conviction the automatic six-month suspension. What has been done under the provincial Act is to achieve an automatic six-month suspension when a person has been convicted of driving while suspended.

I might say that we have one or two other problems with the section. The section has been reworded in order to make sure that under our provincial legislation we cover suspensions that have occurred outside the province of Alberta.

The third Act being amended relates to The Off-highway Vehicle Act, and that is merely to put in that Act the reportable accident level of \$500 in place of the present \$300.

MR. NOTLEY: Mr. Speaker, rising briefly to debate the principle of Bill 89, I certainly don't object to the second point the hon. minister raised with respect to the reportable level of accidents being increased from \$350 to \$500. That seems to me to be appropriate enough. If the Solicitor General, as he has indicated in second reading, has received from the city police departments of the two major cities as well as other law enforcement bodies recommendations that that be changed, that seems good enough for me.

With respect to the first provision the minister made reference to, The Motor Vehicle Accident Claims Act, we're increasing the amount from \$100 to \$200. Mr. Speaker, my concern here is that we're really dealing with the problems people face when they run into difficulties with another party who isn't insured. The government is obviously decreasing the liability of the unsatisfied judgment fund, but at the expense of people who've had an accident, of somebody who isn't properly covered by insurance. I just read the section here:

8(1) Where a person has cause for action against the owner or operator of an uninsured . . . vehicle for damages for

- (a) bodily injury . . . or
- (b) loss of or damage to property in an amount exceeding \$100,

arising out of the use or operation within Alberta of the motor vehicle, that person may apply to the Administrator, in the prescribed form, for payment out of the Fund in respect of the bodily injury or death, or loss of or damage to property.

Now we've increased that from \$100 to \$200, but it seems to me at the expense of the people who are faultless, who have had the ill fortune to have an accident involving somebody who isn't properly covered by insurance, even though as a result of legislation in this province, it is prescribed that people carry insurance as a provision for driving a vehicle in Alberta.

One protection set out and afforded the public is the unsatisfied judgment fund. We're now saying that the loss of property of that person in the unfortunate position of having a collision with a person not properly covered by

insurance is now escalated from \$100 to \$200. The minister can say all he likes, that 7,000 of those claims are related to deductible. Why not? If somebody has had an accident and lost property as a consequence of that, why should they not be able to claim the deductible? To move that from \$100 to \$200 may save the fund some money, Mr. Speaker, but it seems to me at the very questionable expense of the individual without fault in a motor vehicle accident. I have some real difficulty with a change limiting the liability of the fund at the expense of the individual who is not at fault in a motor vehicle accident. As a consequence, I have some concerns that it's only fair to express to the Assembly during second reading of the legislation.

On what basis did the government decide we would move \$100 to \$200? Was that figure just plucked out of the air? Was there some kind of consultation and, if so, who was the consultation with? The minister didn't indicate that when he moved second reading, indicating that most of the cases, some 7,000, were for recovery of the deductible. But again, Mr. Speaker, I would say why not? Why shouldn't that be the case? After all, why did we set up the fund in the first place, if it's not to cover deductible? Again we're talking about, and I quote the section formerly in the Act:

where a person has cause for action against the owner or operator of an uninsured motor vehicle . . .

As I understand it, the whole principle of the fund is that it is set up so that if an individual has an action against an uninsured driver, those costs will be properly covered. Mr. Speaker, that being the case, I find it difficult to understand why we've moved from \$100 to \$200. That is the concern I would express during second reading of this particular Bill. I don't have any major quarrel with respect to the other aspects the minister has alluded to, but I think perhaps we need a little more discussion of the amendment to The Motor Vehicle Accident Claims Act.

DR. BUCK: Mr. Speaker, I'd like to make a few comments on second reading of Bill 89. I would like to say to the minister that the move from \$350 to \$500 is certainly a good move and I support it, because with our inflationary rate being what it is, you can hardly scratch two fenders on two vehicles and you're up to \$500 very, very quickly.

That doesn't concern me that much, but the section about the increase from \$100 to \$200 does. As the Member for Spirit River-Fairview stated, there is a problem here when you are the innocent victim. Mr. Speaker, I would like to say in all sincerity to the members of the Legislature that it's just about time we restructured a legislative committee, as I suggested previously, to look again at what is happening to our highways and drivers. I had the privilege of serving on that legislative committee — I believe it was 1968 or '69 — which sat for two years. First of all, we looked at highway safety and, secondly, we had the charge of looking at automobile insurance, state versus private. For the enlightenment of the hon. member to my right who sits politically to my left, the Member for Spirit River-Fairview, the great socialistic insurance system in Saskatchewan, Manitoba and, when they had the left wingers, British Columbia — I guess the right wingers were afraid to replace it. It took them so many years to get out of the glue with the cost overruns they had that they couldn't throw it out at that time. When you compare round red apples with round red apples, the only difference between the insurance in Alberta and the insurance in Saskatchewan was the \$5 my

insurance agent got in my little agency in Fort Saskatchewan. When you compare round red apples with round red apples, that's all there was. But I won't go into that, Mr. Speaker.

When we are looking at vehicle safety and at drivers, I feel very strongly that we had better set up a legislative committee to look at the entire area of what is happening on our highways. I don't feel it's the physical problem of what we drive on; it's the people behind the steering wheels.

Mr. Speaker, in the area of drivers driving while suspended, it's time this minister proposing the Bill woke up to the realities of what Albertans are demanding of the hon. minister. They are demanding a tightening up. They are demanding that they don't have to go out on the highway and have some drunk, some uninsured driver, or some suspended driver take a run at them. I'm sure the members of this Assembly could go on at great length about how they know constituents, members of their family, or dear and near friends who have been in that predicament.

Mr. Speaker, I was not at all appeased when the hon. Solicitor General said, well, there were 41,000 suspended drivers and when we're doing a random check, we get about 1 per cent or thereabouts — I believe the minister said — that we ever catch a second time. The suspended drivers who are breaking the law are laughing at us. They are laughing at the enforcement agencies, laughing at us as legislators. I think it's time the laughing stopped, Mr. Speaker.

I'd also like to know from the hon. Solicitor General what effect — if there has been any effect — we have had on uninsured drivers in this province when we've gone to the mail-in system of proving that you have a pink slip, that you have insurance. Are we finding that some of these people are cancelling their insurance shortly after they get their licence and again are driving uninsured?

Having served on the legislative committee I spoke of, the reason we had the unsatisfied judgment fund — whatever they call the new Motor Vehicle Administration Act ... What do we call it now, hon. minister, the one that took over from the unsatisfied judgment fund? It doesn't matter.

MR. R. SPEAKER: The Motor Vehicle Accident Claims Act.

DR. BUCK: The Claims Act. First of all, we found it was set up that if a person from outside the province was driving with an uninsured vehicle, there would be coverage for an innocent victim. For people who stole cars and ran into someone, the innocent victim was covered. Also, uninsured cars within our own province would be covered. Of course, now we see that the people who become the victim of, I would say, an irresponsible person — because no responsible person would drive without insurance — are going to be victimized for the first \$200.

Getting back to the question of the \$300 being raised to \$500, I'd like to tell a story reiterated to me by one of my constituents. This person made a left turn in heavy traffic and the person who stopped at the opening to the road where the person was turning signalled him to go on. Of course, when someone tells you, make the turn, and the other fellow is going a little too quickly, you're going to have two cars in the same spot at the same time. This person said: the traffic was heavy, so I looked at my car, and he looked at his car; we didn't think there was too

much damage, so we sort of pushed the cars aside waiting for the police to come. The police came and said, it doesn't look too serious; you go your way and the other fellow go his way. Well, it turned out that the fellow who hit the car making the left turn — when the claim came from the adjuster, it was \$1,300. The person who was making the left turn was nearly thrown in the local crowbar hotel for leaving the scene of an accident when the damage was over \$350. Visually, it appeared that the damage was insignificant.

So when we move the \$350 to \$500, it's really a step in the right direction, because you see too many of these fender benders all over the city. You see people standing there looking very, very perplexed, when all you have to do is push the cotton-picking car out of the road to let the rest of the traffic go, give the fender a good kick to get it straightened out, and away you go on your merry way. Instead, they all stand there wondering what's going to happen next. Of course, that ties up our traffic. Most of the time, my insurance pays my car and the other person's insurance pays his car, so we don't really have to tie up our police forces with fender benders. If we really wanted to get rid of the problem, we would say, okay, if the accident is under \$1,000, then I kick my fender and you kick your fender, straighten out the bruise, away you go, and settle after you have the thing out of the way of traffic. So, Mr. Speaker, I support that amendment, but I really think it's too low because now you don't have to wrinkle a fender too badly before you're up to the \$500 in two vehicles.

Getting back to the suspended drivers, I welcome the change on the automatic six-month suspension. But how well is it going to be enforced? Right now in this province there is no such thing as a 30-day suspension. The hon. Solicitor General knows it well, and we as elected people know it well. There is no such thing. It may be on the statutes, but it's not being applied. Mr. Speaker, I really don't think the minister's department is doing us a service when they are as lenient as they are, because the people in this province are demanding stepped-up supervision to see that if a licence is suspended, it's suspended. If we have to start impounding vehicles, we start impounding vehicles.

Mr. Speaker, just last weekend when we had that little contest of Ottawa versus Edmonton in the football match, a friend of mine told me a story which will indicate what I'm speaking of when talking about people driving with a suspended licence. This chap's neighbor came over to watch the football game and his friend said, I thought your licence was suspended. He said, it is. He said, why are you driving? He said, well, I'm not going to get caught; if you drive the speed limit, behave yourself, you'll probably go for a year and a half or two years and never be caught driving with a suspended licence. That's what suspended drivers think of our law enforcement. So, Mr. Speaker, I'd like to know if the minister is genuinely concerned, if the minister is listening to what Albertans are trying to tell him.

When we look at impaired drivers, we had the tragedy in this city on Saturday morning. A couple, hard-working Albertans, were going to catch an airplane at 6:30 in the morning and a drunk, as indicated by the breathalyzer, if it counts any more ...

AN HON. MEMBER: Cheap shot, Walter.

DR. BUCK: I wasn't looking at you, Stan. [interjection] Cheap shot. We can all read. Most of the time I believe

what I read in the papers. But the person who ran into those two law-abiding citizens was over 0.08 at 6:30 in the morning. They're not here anymore. They were blown away by a drunken driver.

Mr. Speaker, it's time to crack down. If we have to go the Swedish route, people who visit Sweden tell you if you're going to have a clan or a family reunion . . . A person who was over there said, I came to the family gathering and little buses started pulling up. This Canadian said, what's going on? They said, we know it's a family reunion; we know a little imbibing is going to be taking place, and we don't drink and drive in Sweden. If you drink and drive, you don't do it in Sweden.

So, Mr. Speaker, if we have to go the route of incarcerating people who blatantly disregard the law, we have to do that. If we have to impound vehicles and make it a real hardship, we're going to have to do that. If we're going to genuinely crack down and are genuinely concerned about the carnage on our highways, we have to get a lot tougher.

Mr. Speaker, I support the bill in second reading. I think we could go further. The Minister of Transportation gets sick and tired of the blame for carnage on highways when he's building these great highways. It's the bad drivers on the minister's great highways who are causing the problems, not the highways. We want some action. You'd almost think I wanted another piece of road. But that is the fact. It is not the highways that are killing people; it is irresponsible drivers on those highways who are killing people.

Mr. Speaker, this is a small step. I would like to say to the members of this Legislature that I consider it only a small step. We want some action, and we want it now, in case the government has forgotten what that means. Thank you, Mr. Speaker.

MR. SINDLINGER: Mr. Speaker, I'd like to make a few brief remarks about this Bill. Of course, it makes a great deal of sense to raise the limits in terms of the dollar amounts, \$100 to \$200, and the other \$100 to \$200 throughout. Given the change in cost we've had over the last few years, the amounts put in there really are inconvenience factors rather than anything else.

In regard to another section of this Bill, the appeal of a suspension and the conditions that apply thereto, I support what the previous speaker said and suggest that perhaps more consideration be given to making the laws in Alberta more stringent. I'm not too sure how many traffic accidents are caused directly by alcohol consumption or related factors such as pot, as one of the other members mentioned, but I think that things like Check Stop, for example, have been very good and successful. I think most of the people in the province support endeavors like Check Stop and would suggest there be more of those things.

I had an experience just last year which is relative to this Act. One evening my wife and two children and I were returning from the Stampede and a drunk ran into us. We were sitting third car back from a stop light and this fellow just plain ran into the side of us. We pulled over, and he had a breathalyzer test. About two hours later the police finally came and suggested he come with them to the police station, which he did. He had two tests. One indicated he had a 0.26 alcohol level and the other a 0.24 alcohol level in his blood. That's a very high level.

I saw a TV program just the other night. You might refer to it as a semidocumentary type of program. The

individual had been stopped for impaired driving. He had a blood alcohol level of 0.11. Now 0.11 is much lower than 0.24 or 0.26. This individual felt he was in complete control of the automobile and all his faculties. However, in his wisdom at the time, the judge imposed a penalty that required not only payment of a fine and suspension, but that the impaired driver take a course which would demonstrate to him how an individual loses his faculties under the influence of alcohol.

First of all, the individual went through an instructional phase, and then was taken to a driver testing course, photographed, and monitored driving the test course. Of course, that individual passed with flying colors. The next thing they did was provide him with enough alcohol until he reached the point where he had a blood alcohol content of 0.11, that for which he was convicted in the first place, and ask him if he would take the driving test again. The individual acquiesced and said that he felt he was in complete control of his faculties and could undertake the driving course in the same fashion — that is, successfully — as he had before he imbibed. So he went out there. When he was finished he said, doesn't that demonstrate that I can control myself just as well, even though I have imbibed to the level of 0.11?

However, after he had settled down and recovered, they played back on the TV screen the monitor they had on him and showed him exactly what he had done. He had run over all the pylons on the course. The final obstacle on the course was a baby carriage. When he had gone around the course in the first instance, when he was sober, of course he missed all the pylons and stopped in adequate time far short of the baby carriage. However, with a simple or even relatively low blood alcohol level of 0.11, driver not only ran over the pylons but also over and through the baby carriage. When he did that after drinking, he thought it was kind of funny. But after he sobered up and watched it on TV, it certainly wasn't very funny.

What happened to me last summer when this fellow with 0.26 and 0.24 ran into me was that he thought it was kind of funny too. He said to me, if you're concerned about it, why don't you phone the police? I had offered just to take the licence number, exchange insurance cards, and things like that. Since he suggested I call the police, I did. He ended up in the police station. It was subsequently shown that he had neither a drivers licence — it was suspended — nor insurance. To me that is a very flagrant disregard for the law. I have to wonder why there is such a flagrant disregard for the law.

I have drawn the conclusion that perhaps it's because punitive measures by themselves aren't large enough and there is in fact too much leniency when we consider hardship cases; hardship cases in the sense where a person, who has had his drivers licence discontinued because of impaired driving or things of that nature, pleads hardship and somehow demonstrates to the satisfaction of the judge that his livelihood depends on having his drivers licence. I would submit that any such judge who is susceptible to such calls for leniency ought to say to that person that the person ought to have thought of that before they started to drink and then drive.

There's no question that consuming alcohol does affect a person's physical faculties. I was a little concerned when we started talking about allowing alcohol to be sold in the stands at the stadiums. I've been through many stadiums in the United States and across Canada where they drink, and have seen how things go, how they're carried on. I've never seen any problem in the United States, but

just this summer I was in British Columbia when, for the first time, they allowed alcohol to be sold in the stadium at football games. Again, I had my two young children there. At half-time there was a near riot because people could not get to the alcohol. There were such large line-ups, they were stacked from one part of the concession right up against the fence. You couldn't even walk through there. There were fistfights galore. It didn't stop there, because the people took the alcohol into the stadium. In the fourth quarter of the game, the police were called in with police dogs to keep the people from storming the field. It was nothing more than drunks.

Reflecting on that, if those people had not had the alcohol, I'm sure they would not have done that. Their better judgment or prudence had been affected by the alcohol. The same thing occurs with people driving. They're not able to conduct themselves in the manner they were able to before.

I spoke against allowing alcohol in the stadiums. In a facetious way I felt that if you gave the fans in the stands alcohol during a hot summer day, the next thing you know the players on the field might start saying, well, if the fans in the stands are going to have a cold beer, maybe we ought to have one out here as well. Now the problem with that, of course, is that the players won't be able to conduct themselves in the fashion to which they're normally accustomed. That's one thing. The sorry part of all that is not so much that they wouldn't be able to play as well, but the fans in the stands wouldn't know the difference anyway, because they would be drinking alcohol. Now of course, that really doesn't apply. Nevertheless, it makes the point that alcohol and driving do not mix.

It has been said before tonight, and I've heard the same things said many times in various conversations with people throughout the province, that we should have stricter rules in regard to driving while impaired and driving while under suspension. This particular Bill before us addresses that question, having an appeal process for one who has his licence suspended or is about to have his licence suspended. It seems to me that if a person has had his licence suspended, it must have been for a very good reason. If it was a good reason in the first place to suspend an individual's licence, I think it would be sufficient reason to sustain the suspension rather than lifting it for special occasions or reasons. The person who had the licence suspended obviously compromised the law in one way or another. It's only right that the penalty be paid in full rather than allowing suspensions to be lifted.

In consideration of this Bill and future consideration of similar matters, I think the minister would do well to weigh rather heavily on the one side, in terms of more punitive measures to ensure that people pay more attention to the law and think twice before they engage in activities which would put them in a position where they might compromise the law and trespass on the privacy of other individuals in the province who might be innocent bystanders. We talked about that before.

One of the things that comes to my mind is an accident that occurred in Calgary several years ago. Some young people were standing at a bus stop waiting for a bus. An impaired driver, who was having what he thought was a good time, came careening down the road, went over the curb and the sidewalk, and just wiped out those people at the bus stop, killing two of them. Those people had to pay the price for this person's impaired driving. I don't think it's good enough to just say to that person, you're going to have a suspended licence or pay the fine of \$360.

There has to be more in terms of retribution, heavy-handed retribution in cases like that, to ensure that those circumstances do not recur. I think it's very important that the government and all of us make it well known to everybody in this province that that type of irresponsibility will not be tolerated to any extent.

Thank you.

MR. GOGO: Mr. Speaker, I want to comment relative to comments already made in second reading. Perhaps the Solicitor General can comment in closing the debate. As I heard him explain it, the reason for the amendment of the \$100 to \$200 is that if a hit-and-run driver causes damage of \$101 to the vehicle, the motor vehicle Act and the claims fund presently will pay \$101. Conversely, if the damage is \$99, they pay nothing. I see a sense of equity in this, first, by raising the claims against the fund. I heard the minister talk about terms of \$2 million or \$3 million. I think it makes sense to raise that deductibility to \$200. I have no quarrel with that.

With regard to reportable accidents going from \$350 to \$500, the Member for Clover Bar spoke strongly in favor of what the Solicitor General said the police wanted for a reportable accident, \$1,000. I have some difficulty with that, but we can't have it both ways. If we're going to have the police enforcing the laws, I assume they can't be spending all their time on matters like that. I think that was really the substance of the Member for Clover Bar, and I tend to agree.

Mr. Speaker, various references have been made to the fact that either the Solicitor General is not doing an adequate job in terms of enforcement or the punishment is not adequate. I'd simply like to make the following comments. This was tabled in the House the other day. We now have about 2,300,000 licenced vehicles in this province, which is by far, I think, the highest number per capita anywhere in Canada. Last year there were over 400,000 convictions — that's over 1,100 per day — under both the Alberta Acts and the Criminal Code of Canada, which has already been quoted as over 3,000 per month for impaired driving. I don't believe we could possibly ask the Solicitor General, as the officer responsible for law enforcement, to do a better job of enforcing. There are 400,000 convictions already for last year, 1,100 per day. Maybe the punishment assigned is not adequate. As I recall, just last fall we passed The Motor Vehicle Administration Act. We now make mandatory incarceration for second offenses of impaired driving. I really think the Member for Clover Bar should be asking the Attorney General how many incarcerations we've had. I don't think it's been there long enough to find that experience. The case I want to make is that there has been great emphasis in the last year, both by the Solicitor General and the Attorney General, to tighten up and toughen up the impaired driving penalties. I don't think they have been in there long enough for us to get the facts out. Maybe the annual report of the Attorney General will point that out.

The Minister of Transportation commissioned a study not long ago regarding driving habits of Albertans. It was tabled, as I recall. I have a copy anyway. It clearly pointed out that on the one hand about 80 per cent of Albertans think it's the other guy who's wrong. Very clearly it was a question of drivers' attitudes; that's what I got out of the report. It's not a question of the automobile. It's not a question of the road. It's the attitude of the driver of the automobile. For any member who drives around Edmonton, there's no question of the habits of people. Surely that's attitude. I don't know what mem-

bers think government can do. Do you want government to pass laws that say you can only drive between nine and 10 in the morning? This is still a free country. I think the record the Solicitor General's department has through the municipal police forces and the RCMP is an enviable one. The Check Stop program — I believe half a million were stopped. What more can be done. Surely we have to concentrate on the question of attitudes.

The only concern I would have, and the Member for Calgary Buffalo pointed this out, is a requirement by a judge that you must take a certain type of training. Every person in this province convicted of impaired driving by statute cannot get their licence back without attending a course. It happens to be run by AADAC, and they must spend a day at that course. The problem as I see it is that when you suspend somebody for six months, and nine or nine and a half out of 10 people in this province use an automobile to earn their income, that's a very difficult habit to break. My view would be that probably half of those suspended are driving their automobile at some time during that six months. I really don't think the six months is a solution to the problem. But perhaps that discussion should come at some other time.

Mr. Speaker, in the amendments to this Act, I think the Attorney General is seriously addressing the problem. I think it must go much deeper than that. Members of this Assembly have a responsibility. A few minutes ago, I heard a member telling a story about somebody who was driving to a football game and who was impaired. Why didn't he report that to the police? Why not? We're lawmakers. Don't we have a responsibility? Today I heard someone — I can see her from here — saying, I tried something and it worked: somebody cut me off on a highway; I took their number and phoned the police. That person was stopped X miles up the road. I said to the police, let me know if they're going to plead not guilty, because I want to be there when they do. If more of us as citizens took that attitude — and I'm sure the Member for Clover Bar agrees — we could perceptibly reduce the incidence of these things going on. You can't depend on this Assembly to pass laws without the support of the people.

Thank you.

MRS. CRIPPS: I want to make a couple of comments, Mr. Speaker. I agree with the Member for Lethbridge West, that we have a problem with attitudes. When I introduce a motion that we remove the licence plates from all vehicles with suspended drivers, I hope the Member for Clover Bar will support me. I know not many will, because that's going to cause a problem with the rest of the family. But I think it's probably going to take something like that before drivers assume responsibility for that position they hold behind the wheel.

I'd like to ask the minister if he has considered using computer checks before issuing licence plates, to identify if there are unpaid tickets or outstanding infractions against the registered owner of a vehicle. Could the minister assess this possibility, to ensure that all outstanding traffic violations or fines payable have in fact been paid prior to obtaining next year's licence? While that may not relate directly to this Bill, it certainly does to the licences we're talking about. I believe this would eliminate a backlog of outstanding fines and possibly, hopefully, ensure that the citizens of this province obey and respect their obligations to pay for traffic violations.

MRS. CHICHAK: Mr. Speaker, I want to remark on three points with regard to the legislation. By and large, I would initially like to indicate that I support the hon. Solicitor General in the direction he's moving, with respect to increasing penalties in certain areas. However, I would like the Solicitor General to take a few areas under consideration. Both as an individual and as the member for the Norwood constituency, I wish to express disagreement with the Solicitor General in the direction he has moved with regard to this legislation.

First of all, I would like to indicate that perhaps we are not firm enough or haven't developed a system of monitoring adequately with regard to the continuation of insurance coverage. A significant number of motor vehicle operators take out insurance and have it for the period of time they require to obtain their new or renewed licences. Subsequently, they cancel their insurance and drive for a number of months or the balance of the year. A month or so prior to renewing, having to purchase their next year's licence, they again take out an insurance policy. They repeatedly continue in this way until, in a few instances, they are caught without having adequate insurance coverage.

I think the hon. Solicitor General needs to look at whether a system can be devised whereby if insurance coverages are being cancelled by the operators, there be a requirement that the agents report such cancellations to the motor vehicles branch where the records are being kept now with regard to any driving violations or infractions of the law that may have been charged. If they have to appear in court and there is a suspension or ticket issued, whether for speeding or whatever other violation, the report goes on record at the motor vehicles branch. I see no difference in the extended requirement of ensuring that there is continual insurance coverage as well.

This is really for the protection of those citizens who are law-abiding and carry insurance. Ultimately, where there is an accident at some point or another, they find that perhaps the party responsible for causing the accident in fact has no coverage. In this legislation we have increased the amount of deductibility to 200, with respect to what an aggrieved, innocent victim will have to suffer in the way of loss when attempting to recover from the unsatisfied judgment fund. The Solicitor General well knows my opposing views on that. I have had numerous representations from my constituents on this matter, and I feel it is my responsibility to communicate to the Solicitor General that this is a concern. I recognize the logic, I suppose, and the argument behind determining that the amount ought to be increased. I recognize there has been some evidence that certain people find ways to abuse the system by claiming damages by an unknown individual. They very innocently claim that they were the sufferer of the damage and try to recover damages under the unsatisfied judgment fund, when in fact there isn't any legitimacy to that kind of claim. I recognize that there are areas of that kind of abuse. I don't think that in any aspect of trying to keep law and order in our society, we can develop a system that someone will not find a way of abusing. However, it is a concern that in the majority percentage, the innocent victim will be made to suffer even more.

The concern that has been expressed from time to time by society is the inconsistency of the court system in meting out penalties in relation to the severity of the infraction of the law. I don't know whether the Solicitor General or the Attorney General can do very much about that, except perhaps to communicate to our judiciary that

there needs to be some kind of meeting of minds on the levity of fines or penalties. There should be a greater degree of consistency. There's no question that where on one day there is a very strict application and severe penalty for what one might interpret or understand as a fairly minor infraction of the law, on the next day in another courtroom the matter of the infraction is extremely severe, yet we find that the penalty meted out is minimal. That kind of differentiation causes a lot of our citizens to be very cynical about our court system, our legal system, and the justice within it. I think it's important to impress on our judiciary, try as they may to be fair, that perhaps there needs to be some kind of guideline, generally concluded and recognized by them in their own sphere.

I might make another suggestion with regard to suspensions. Where a licence has been suspended, the hon. Solicitor General may wish to examine or explore the possibility of the requirement to turn in the licence plates or some kind of evident marking on the vehicle, and that the operator of the vehicle ought to be under suspension of driving for a period of time. I am not sure of the feasibility of that. But it seems to me that unless we seriously look at dealing with those matters more effectively, we will continue to have disregard for what we're in fact trying to help society keep in place, our mobility and safety.

Thank you, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, I'd like to make a few comments on two points with regard to Bill 89. First of all, with regard to the treatment of drunken drivers — I guess that's the easiest way to describe it — I want to recall my experience in 1970 on a visit to Sweden. At that time, we met with a Dr. Erickson, who was head of the penal systems and, as well, a consultant to the government in terms of dealing with various types of offences to the law. At that time, the facility in Sweden was for those people caught drinking and driving. On the first offence, they were sentenced. It was very clear that driving was a privilege in that country.

I note a number of places in the minister's amendments — and I'm sure in the Act proper — where the word "privileged" is used over and over again. And it is a privilege. It's not our right to drive on the highways as we feel and abuse the life, limb, vehicles, and property of others, but it is a privilege to be able to travel from one point to another and use the highways of the province. In having that privilege, we must live within certain limits. As I said, that was a very basic tenet in the country of Sweden: one offence, and you served a jail sentence.

I visited some of those jails, and people given a sentence were able to serve it on weekends. It wasn't just a matter of sitting in a large room, provided for you, for the weekend. You also did hard labor — hard, physical work. One sort of motel complex, because that's what it looked like, was right next to a new airport being built in Sweden. During the day, the men there had to go over with wheelbarrows, shovels, and picks, haul dirt and rocks, and repair and build a section of the runway. Certainly it was inefficient; it wasn't the proper way to do it. But it was an indication that, look, if you're going to drink and abuse the privilege of driving on our highways, you have to pay the penalty.

I have to say that at that time, in 1970, I thought that was rather severe. But in terms of statistics today — and all members in this Legislature have recognized the number of accidents, the number of families wiped out.

When I raise that subject, we can all think very quickly of an example: people who can no longer walk, who are designated to wheelchairs and beds, because of an accident that maybe was not their own fault but was caused by someone else who had been drinking on the highway.

I think it is time in the history of Alberta when we as well must get tougher. Certainly on the second offence, the person may receive a jail sentence. Maybe it's time that we consider that the first time, when the person is caught and their alcohol level is such that they can't control the motor vehicle — or worse, if they create an accident — a sentence should be mandatory. I think that would pull up a lot of people short and make them think twice before they step into a vehicle and go on the highway. The hon. Member for Lethbridge West mentioned the number of vehicle registrations in this province — up in the millions; 2,300,000 vehicles on our highways. I'm sure most of that traffic is concentrated in Edmonton, Calgary, and between. I see no reason why we can't be tough at this time in our history.

I'd just like to recommend that to the minister for consideration. I'd certainly support him. When the hon. Roy Farran was in that position, I made the same comments: if the minister wished to put in tough laws with regard to drinking drivers, I would be the first to support him. Because I think we can do that now. The population of Alberta would support that kind of legislation. It may mean some variations in the type of penal residences we have. Certainly, mixing drunken drivers with other kinds of criminals may not be the best thing to do. I think the minister should review another kind of facility, such as the one in Sweden that I described, the motel type of facility where drunken drivers serve their sentences — some on weekends, maybe some on a full-time basis — because of the varying degrees of accidents they may have created or their circumstances at the time they were caught drinking and driving. So that's my first recommendation to the minister.

Secondly, with regard to the some 41,000 drivers suspended in the province, many of those people drive while their licence is suspended. We all know that. The minister knows that. The Minister of Transportation knows that. The law enforcement agencies in the province know that very thing. I think one of the first things the minister could do — and I suggested this earlier in the Legislature — is look at the management procedures going on. For example, the person whose licence is to be suspended could be notified that they are to take it to the nearest treasury branch, law enforcement agency, or some other outlet in a nearby town or their town, place it with that respective agency for one month, and during that time they are not allowed to drive. At the end of that month, they can return to the agency and, after signing the proper forms, receive their licence again.

One reason a number of people do not send it in is that they know once the letter goes to Edmonton, it takes two to three weeks to get it here and filed properly, and then on return at the end of the month it takes another two to three weeks. My hon. colleague from Bow Valley indicated to me that there was an incident of one to six weeks. The person knew his licence should be valid again, wanted the licence, but couldn't obtain it from the system and found it very difficult. Finally my hon. colleague made a telephone call to the minister's office, I believe, and everything was put through very quickly. But maybe all citizens in Alberta don't have the same access to their MLA or don't know that is one procedure that can be used to get the licence back quickly. So I think the

administrative process could certainly be streamlined, and that's one suggestion I give the minister. With computer print-outs and various modern equipment at many regional offices across the province of Alberta, I'm sure that with cross-references that type of system could be worked very easily rather than the centralized system in place at the present time.

The third point I would like to make with regard to the Motor Vehicle Administration Act is with regard to handicapped persons in the province. I have had representation from two or three handicapped people who travel across this province, drive into the United States, and travelled into central Canada this last summer. One very interesting thing they found, particularly in the United States, is that there was a special licence for a handicapped person who owned a vehicle, or for the driver or vehicle that transported that person. On the licence of the vehicle there was a small wheelchair or a symbol indicating that this vehicle belonged to a handicapped person. That gave the driver the right to park in parking areas designated for handicapped persons. As they drove through parking lots or wherever, the law enforcement agencies could look at the licence of the vehicle. If it had the symbol on it, they knew that was a vehicle that could lawfully park in that area. At the present time, because many people can't find a parking place anywhere else, they park in the handicapped parking area. They're filled, and the law enforcement officer doesn't know whether the person owning the vehicle has a handicap or whether the person driving the vehicle is driving a handicapped person.

I think this would be a good idea in allocating licences. I don't know whether it has been discussed or is possible. Maybe that can happen upon request. I'd certainly appreciate the minister looking at that kind of idea. Particularly since we're in the International Year of Disabled Persons, that would be a very significant thing, recognizing that there should be some type of special designation, special assistance, for those handicapped people to be able to get to the banks and laundry and recreational facilities. If that kind of thing could be done, I know it would be much appreciated.

A couple of other comments. One, I'd really support what the Member for Lethbridge West has said to us in this Assembly this evening. I also want to congratulate him for the work he has done in terms of the AADAC advertising. I want to say that that is the best advertising that I have seen in terms of government, and even the private sector. The presentations create attitude. You see a very healthy scene. I'm sure that is having an affect across the province of Alberta. I know the hon. member has taken a keen interest in the presentation made across the province.

I raise that on the basis that possibly we can have some advertising in the same vein for the drunken drivers of Alberta. Shouldn't they look at changing their attitude, adjusting to what is their privilege rather than what is, as some people think, their right? If the hon. member can give any direction to government in that area, or to the Minister of Government Services who may do the advertising, I think that would certainly do all Albertans a great favor.

One other area I'd like the minister to comment on — I raise it as a question because I don't know. We talk about the driver who is influenced by alcohol. What about the driver who is influenced by drugs? As I understand it, they are all over our province today and access by people in the provinces seems to be quite easy. Are the laws at

the present time applied in terms of drugs? Are some new methods being looked at to determine whether a driver is on drugs or not? Have the law enforcement agencies reviewed this matter and made some recommendations to the minister so that improved law enforcement can take place? What's the current status with regard to that? That isn't a new problem in terms of the last 10 years. But certainly within the last 20 years, this is a new problem that law enforcement officers face across the province.

Mr. Minister, quickly summing up, I support the intent of the Bill. I certainly hope we can enforce the law with greater vigor. I hope we can make the highways as safe as possible. It isn't the highway that causes the accident; it's certainly the person behind the wheel. This Act we're talking about will deter persons from drinking or causing accidents in this province.

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

HON. MEMBERS: Agreed.

MR. HARLE: Thank you, Mr. Speaker. First of all, I would thank all who have participated in the debate on this very important piece of proposed legislation. I think all of us have concern, particularly about the impaired driver we've been talking about tonight. I'd like to just add a little more on that subject as I respond to the various matters that have been raised.

First of all, I think hon. members are aware that the fund previously was in debt about \$4.6 million. I make no apologies for the fact that we're trying to slightly reduce the claims upon the fund. I might say that in the comparison between hit-and-run accidents involving property damage, the claims amount to about \$2.3 million, and the uninsured type of situation involving property damage about \$248,000. By far the largest problem area, I would suggest, is the claims involving hit-and-run situations. I would also say that it's the type of claim that can be self-insured through collision coverage.

With regard to the suspended driver situation, a number of members referred to this problem. I think all of us are concerned about the situation when suspended drivers are involved in an accident of any kind, particularly those which might involve the death of a citizen. In 1980, about 821 drivers, according to the police, were associated with accidents in which there was a fatality. Of those 821, 155 were from outside Alberta; in other words, they had a licence from outside the jurisdiction of Alberta. The rest were Alberta drivers who held an Alberta driver's licence. Of those 666 Alberta drivers' licences, 14 were suspended at the time of the accident.

I appreciate the comments about the effectiveness of police forces in trying to enforce the laws that we pass in this Legislature. It's my submission that they are doing an extremely good job. I know there are those who might argue that many citizens whose licences have been suspended are driving. I refer to the story told by the Member for Clover Bar. I would echo what the Member for Lethbridge West said about people who know that a friend of theirs is driving while his licence is suspended. I don't know, and I'm sure the Member for Clover Bar is of the same mind — a certain responsibility is on all of us as citizens in this type of situation. When we're talking about driver attitude, it's not only the attitude of the drivers who are driving while suspended. Surely, it's got to be the attitude of people who know, are with, and associate with people who they know have a suspended

licence and are continuing to drive. I have no way of knowing how many there are, but I can tell you that out of 821 drivers involved in fatal accidents in 1980, 14 were under suspension at the time of the accident. That is a pretty significant type of sample. Of those 14 suspended drivers, 11 were under suspension for impaired driving. Some of them have what looks like just a bad history of suspensions for one kind or another, and usually several impaired driving suspensions at various times. Two of the 14 were under suspension for demerit points by the Driver Control Board, and of course we have those licences in the department. They didn't have a licence at the time they were driving. One was under suspension for dangerous driving and had a three-month suspension, and again the licence was in the department. Not one of the 14 out of that sample of 821 who were involved in fatalities was under the one-month suspension.

So our citizens are respecting the fact that they should not be driving when they get a month's suspension under the demerit system or a suspension from the courts. I've already indicated in the question period that when the licences are suspended for more than one month, the department instructs the police to go out and search for the licence.

It's very, very disheartening for those involved with the impaired driving program, which is applied to suspended drivers before they get their licence back — very frustrating. For example, I was with the driver examiner for Wainwright not too long ago, and he gave me the example of a situation where the impaired driver had been under suspension for 36 months. In other words, he'd had several. He'd been in front of the Driver Control Board, and he had to take the impaired driving course that's available and that was alluded to by the Member for Lethbridge West. He'd done all these things, taken some alcohol treatment, completed his 36 months, got his licence back, and four days later he was up on another impaired driving charge.

It is a very difficult situation. It's very true we're talking about attitudes, attitudes not only of those driving while suspended or impaired but of society at large. I just cannot see how we can isolate a group of citizens and say, your attitudes are wrong, when in fact it's the attitudes of our total society.

We have a very effective Check Stop system. All hon. members know that Check Stop systems across this country are presently in front of the courts. The legislation provides that we can stop a driver, stop a vehicle, and make some checks, particularly for impairment and other things. The citizenry is saying, that's wrong; we want to go to court over the right to stop a vehicle, and we feel it is an interference with our right of travel and our right to be on the highway. These are going through the courts at the present time. In question period in this House, I've said that as far as the government is concerned, the government is very supportive of the Check Stop program and we're going to keep it on as long as we can. If the courts say that the legislation is defective in any way, then I'll be in this House asking for amendments to patch it up. It really is the only tool available to try to enforce the legislation, from the point of view not only of the suspended driver but of the impaired driver.

We have developed — and this really is in response to the Member for Drayton Valley — a very effective computer system. It is going to be better yet. But right now the police have a way of being able to access that computer on a 5-minute, 15-minute time delay — and of course those down times on computers at certain times of

the day add to the problems. Nevertheless, the police are quite able to check the registration of a vehicle or the licence of a driver very, very quickly. Certainly the citizen has to wait until this is done, and there is a certain amount of inconvenience if you're in a hurry to go somewhere. But it surely must be a very effective tool, and a tool that we as legislators should be supporting if we are to provide the law enforcement agencies with some effective method of being able to detect drivers who are driving while suspended.

Yes, we will be able to have on file the information which relates to fines, traffic tags, and all the rest of it, so that eventually, when people come in to renew their licence or renew their vehicle registration, the computer will tell the official standing at the desk in the licence office just what the status is. There won't be a licence renewal until those fines and things are paid. That is the way we're headed. I hope it will be supported as a mechanism.

Even with that, we will still have to arrest, as we are doing now with outstanding warrants, so that we can pick up those who are simply avoiding payment even with the system I've described. But it will certainly help a great deal for the majority of citizens, to be reminded that there are these outstanding debts, if you like, or fines, and they'll get paid.

The Member for Calgary Buffalo talked about the appeal system in this present Bill. I just say this: the experience of course is that whenever an application is made, the courts usually do everything in their power to exercise their right of discretion and will, in effect, direct the registrar to hand back the licence until the appeal is disposed of. All we've done in this Bill is provide a mechanism so we can formalize it. Hopefully, there will be some chance of opposing the granting of relief of handing the licence back until the appeal is disposed of. But it is formalized in a better way with the amendments proposed in the Bill.

With regard to the matters raised by the Member for Edmonton Norwood, the continuation of insurance coverage, my predecessor spent a great deal of time and effort trying to get at this particular problem. Again, I would say it's a question of attitude. The insurance industry has been asked on many, many occasions — and occasionally does it — to report cancellations that look suspicious so we have a chance to do something. I'm sorry, I haven't the results of the last year when we made the change in the insurance requirements in the application form for a licence, but the idea is that we will be able to run a check on it to find out whether the information supplied is valid by checking with the agent or insurance company about the information disclosed on the application.

I can say this. In states that have tried to do this, it requires a massive amount of work because the vast majority of citizens are in fact going to other companies to get better deals on their insurance policies, and a lot of change is perfectly valid. So you have to recognize the fact that people just shop around and get the best deal they can. Nevertheless, that is a matter of concern, and if there is a magic solution, we'd sure like to have it.

With regard to the matters raised by the Leader of the Opposition, there is a conference — as a matter of fact, at the end of the week — on this problem of the impaired driver and what is being done across the world. I think a lot of time will be devoted to the experience in Sweden. I may say that from all the reports on the Swedish experience I have seen — and I haven't been there — they



certainly indicate that sure, one has to serve time in jail, but that's not reducing the problem. Again, I suggest that with their system they are having just as much of a problem with the impaired driver as we are.

With regard to the handicapped people, the Canadian Paraplegic Association made the proposal referred to by the Leader of the Opposition. I'm taking it up again with the department to see what further steps ... Somehow or other something hasn't been working well in the communications side on that score, and I'm hoping to get this resolved. If it can be done quite simply, it sounds like a valid thing to try with the licence.

Of course, there is the problem of determining who should get these signs and whether there can be a control on it. I'm sure the Canadian Paraplegic Association would argue it's only their members, but there will be a lot of people who are not members. So you have this difficulty of deciding who should or should not have one of these tags. But I'm aware of the proposal and working on it.

On the incidence of drug use as opposed to alcohol, not very much information is available. My recollection is that the Criminal Code impaired provisions apply to alcohol or drugs, but normally when we talk about impaired, we're talking about alcohol. The traffic accident factors of causes of accidents certainly wouldn't indicate it's very high. Of all the accidents in 1980, 0.1 per cent might have involved drug impairment, and 1.8 per cent are impaired factors that are the prime cause of accidents. But that's the closest figure I could give you.

[Motion carried; Bill 89 read a second time]

#### **Bill 96**

##### **Cancer Treatment and Prevention Amendment Act, 1981**

MRS. EMBURY: Mr. Speaker, on moving second reading of Bill 96, the Cancer Treatment and Prevention Amendment Act, 1981, I'd like to make a few brief comments. The process that has been in place is one of the Alberta Hospital Association negotiating on a province-wide basis for hospitals in Alberta. In the past, the process has been a verbal agreement between a hospital and the Alberta Hospital Association. This process has included the Alberta Hospital Association negotiating for the two cancer hospitals which come under the Act we are discussing this evening. These two cancer hospitals are located in Calgary and Edmonton.

The Alberta Hospital Association has now formalized this process of negotiating by a written agreement. Unlike the other Acts and the hospitals in Alberta, which are corporate bodies and enter into agreement with the Alberta Hospital Association under Section 16 of The Interpretation Act, and hospitals such as the Lloydminster hospital, the provincial general hospitals, and the University of Alberta hospital, these individual hospitals are corporate bodies and operate under their own governing Acts.

These Acts state that the hospitals have the power to enter into an agreement. The present Cancer Treatment and Prevention Act does not address the issue of the provincial cancer hospitals' board being able to empower the Alberta Hospital Association to act for the board in labor negotiations. This amendment is the addition of a new section which permits the board to delegate this responsibility to the Alberta Hospital Association.

[Motion carried; Bill 96 read a second time]

#### **Bill 97**

##### **Department of Education Amendment Act, 1981 (No. 2)**

MR. KING: Mr. Speaker, I move that Bill No. 97, the Department of Education Amendment Act, 1981 (No. 2) now be read a second time.

Mr. Speaker, the Bill has two provisions, both of which were mentioned briefly at first reading. The first is to include in the legislation power for the minister to delegate. That power is almost precisely the same as is found in The Department of Advanced Education and Manpower Act, Section 4; The Department of Agriculture Act, Section 15; The Department of Culture Act, Section 5; The Department of Economic Development Act, Section 5; and other legislation. It is the result of a continuing desire by Legislative Counsel in the mechanics of legislation to bring a certain amount of uniformity to comparable pieces of legislation. It makes clear that the minister has the power to delegate, in writing, authorities and responsibilities, powers and duties, which are otherwise mandated to him in the legislation.

Secondly, Mr. Speaker, it provides for an increase from \$20 million to \$40 million in what is referred to as the school book branch revolving fund. Hon. members will recall that only this spring the limit was increased from \$10 million to \$20 million. We have discovered that with developments in the school system, changes in curriculum, and continued demands for books and other materials, we are already pressing the limit which was only adopted this spring. In addition, the recently announced contract, which was the subject of questions in the House on Friday, will be executed on behalf of the government by the school book branch. In that regard, money in the revolving loan fund will be required. Having said that, I should add that this is a revolving loan fund and this does not represent any payment on behalf of the government to school boards in the province.

[Motion carried; Bill No. 97 read a second time]

#### **Bill 98**

##### **Technical Institutes Amendment Act, 1981**

MR. HORSMAN: Mr. Speaker, I move second reading of Bill 98, the Technical Institutes Amendment Act, 1981.

Hon. members of course are aware that The Technical Institutes Act was passed in the first sitting of this session. These amendments arise as a result of consultation which took place since the House adjourned with the technical institutes' staff members at the administrative level, the faculty level, and with students, by and large carrying forward some of the same amendments that were made to The Universities Act and The Colleges Act, which have received Royal Assent.

One thing I want to point out is that in keeping with the decision to retain the president's vote at the colleges level as it was retained at the universities level, the president of the technical institute will have a vote on the board of governors. The Act also requires consultation with the board and with the academic staff members as to the designation of categories of employees, which is the same as in The Universities Act and The Colleges Act, but it provides a more extensive listing of those things which would be the subject matter of negotiations be-

tween the board of governors and the faculty association. One item which was deleted in the current Act after careful review of this matter was item (a), which was procedures for determining, and methods of assigning, teaching responsibilities and related duties, rather than having that as part of collective bargaining agreements that no doubt will be part of the considerations between the board and the faculty of the general academic council at the institution.

One matter of considerable importance is Section 37, which relates to the subject matter of pension plans for academic and support staff, providing a more comprehensive section in which it will be assured that the transition from currently provincially administered status to board-governed status will not have any adverse effects on pensions of the employees of the institution.

Those are the main items, Mr. Speaker. I move that the Act be read a second time.

[Motion carried; Bill 98 read a second time]

**Bill 99**  
**Legislative Assembly**  
**Amendment Act, 1981 (No. 2)**

MR. HORSMAN: On behalf of my colleague, the Attorney General and Government House Leader, I move second reading of Bill 99, the Legislative Assembly Amendment Act, 1981 (No. 2).

Mr. Speaker, the purpose of this small amendment is to clarify a situation that the members who have constituency offices may receive or, as the Act says, may be provided with "office supplies and equipment necessary for the operation of the rental office space" referred to in the legislation.

MR. SINDLINGER: Mr. Speaker, I'd just like to make a few brief comments about this amendment, more generally in regard to constituency offices. I am one of the members who has a constituency office. I think I've just made a mistake in what I've said. Many people make the same mistake. It's not my constituency office. It's the Calgary Buffalo constituency office. It's an office for the constituents of Calgary Buffalo. It's they who use it and not myself. I have my own personal office. I think the concept of having a constituency office for the residents of Calgary Buffalo and all the residents of the province is a very good idea.

I'm facing a problem that I'm sure many of the other MLAs are facing in the large urban areas, and that's in regard to the rental requirements of the constituency offices. I recall that when first undertaking to find a constituency office I and my assistant in Calgary literally spent weeks just walking up and down the riding trying to find some office space. The problem is that Calgary Buffalo is a downtown urban riding and, given the growth rate and the small vacancy rate in Calgary, it's very difficult to find space.

We eventually did find some space. It's been very convenient in that it is in the centre of the riding. It's not the most luxuriously appointed space, and we don't have the best furnishings there either. Nevertheless, it's very functional and is used on a very frequent basis by the residents of Calgary Buffalo. In that constituency office I have a secretary who keeps regular hours three times a week — Monday, Wednesday, and Friday — and on an as-required-basis, which is very often. I'm in there on Saturdays while we're in session and, when we're not in

session, when I'm required as well.

But the question that comes out of this amendment is the money allocated for the rental space. I indicated I had a great deal of difficulty getting it in the first instance because of the scarcity of space in downtown Calgary in Calgary Buffalo. I was fortunate to find it. At the time, the rental was affordable. It did take considerable negotiation with the landlord, however. He might have termed it haggling as opposed to negotiation. Nevertheless, we did come to an accommodation whereby we were able to come to some sort of agreement under the allocation provided to the residents of Calgary Buffalo through this Act.

That rental was just a little under \$5,000 per year. The agreement was signed a little over a year and a half ago, and it expires in the summer of 1982. Given the change in circumstances throughout the riding and things generally associated with the subject matter, I have been advised by my landlord that I'm going to face a pretty high rental increase in the very near future. I'm fortunate that I signed a two-year agreement. I'm advised by another member, who has his constituency office up the street from me, that his rent is going to go up from something like \$213 a month to \$535 a month. That's a substantial bite. The member who's office is up the street is not on this side of the House; he's one of the Progressive Conservative members. I suggested that he write a letter to the Minister of Consumer and Corporate Affairs bringing the matter to his attention. I'm not too sure what he can do to help him, but perhaps he can gain some solace from that minister.

We had some difficulty getting equipment we require for our office. We have the basic furnishings: a desk, chair, and things of that nature. We have had trouble getting curtains; we don't really have curtains for our office. It's a store-front office. On one side we have a hairdresser shop called Cut Offs, and on the other side we have what's called the Poodle Salon. It's a place people can take their dogs and have them manicured and their hair cut and things like that. On each side our neighbors have big signs out front. On our window we have a big sign that says, this is the space provided for the residents of Calgary Buffalo, and they've used it very well over the last year.

I recall that when we first went in there the floor was very dirty. I facetiously pointed out to Charlene Blaney, who helps us on these things, that we really needed some help down there in getting some sort of furnishings and coverings for the floor. At the time, I told her that we were in effect working and living in an office space that had a dirt floor. I told her it was really that bad. And she, not knowing me very well at the time, took my word at face value. She scurried around and tried to help us, and did a lot in getting things for us. She nearly crowned me when she first visited the office space and saw that in fact it wasn't a dirt floor. Since then we have established a congenial relationship, and we now have a very functional, warm constituency office.

Having this sort of facility provided for the residents of the constituencies in the province was a good idea in the first place. Perhaps prior to this, people in ridings probably had a little difficulty getting in touch with MLAs. After all, there are a great number of electors in any riding. In Calgary Buffalo there were over 25,000 electors at the last election. Unless there is a specific place where they can find their MLA, I can see that there would be difficulty in getting in touch with their MLA at times. Certainly I've met many of them whom I would not have

met before if they had not seen the office and felt free to drop in.

I think we ought to be cognizant of the fact that over time circumstances are changing very rapidly in an economic sense. Certainly, over the last 10 years, when we talk about inflation, the scarcity of manpower, and things of that nature, we have to bear in mind that we have to be flexible in these sorts of things. The provision of a constituency office isn't a benefit to the MLA. It's the same as when people talk about an MLA's salary and say the MLA's salary is \$28,000. That's not true; it's only \$21,000. The addition to that ballpark is expenses. When I was in private industry — and I'm sure anyone else in private practice who has an expense account for their particular business does not say their salary is whatever it is at that particular time plus the expenses they incurred over a year. The expenses are expenditures, cash outflow, payment for expenditures incurred in order to cover the cost of doing business. I don't think there should be any misunderstanding about the provision of constituency space, the equipment, and the secretarial space. It's not a benefit for the MLA; it's a benefit for the members of the constituencies.

I think we should monitor that closely, not only in terms of the use made of it but also the cost associated with that utilization. Certainly, if those constituency offices are providing a service and fulfilling a function now, we should ensure that that service and function is there in the future as well. Given the fact that costs are increasing quite rapidly over the years, the difficulty is that unless we monitor this closely we may find the resources we have available to provide those services and functions of a constituency office, unless the resources escalate in the same proportion, may not be able to provide the benefits of a constituency office to constituents as we do now. I would like to ensure that in the remaining time I am in office I have the resources, provided through the Legislative Assembly, to ensure that the constituency office remains open, functional, and available to all the constituents, so they may continue to use it and have access through me to the Legislature and to the government in the years to come, as they have had in the past few years.

Those are the only comments I have to make about that. Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, in concluding debate, I want to say how pleased I am to say that I agree with almost everything the hon. Member for Calgary Buffalo said this evening, and assure him and other members of the Assembly that the subject of the costs of maintaining rental accommodation for constituency offices is now under consideration by the members' services committee. All members will recognize that this committee is under the chairmanship of Mr. Speaker and has representation from the official opposition. I guess perhaps that is one of the things that wasn't considered when the last report by the committee came down. It set out to look at members' payments by way of salaries and expenses. The idea of a constituency office was new at that time. Perhaps the thought of increasing rent didn't occur to the distinguished group of Albertans who served us so well in an impartial way in arriving at the recommendations which resulted in the current level of pay and expenses.

The hon. member has made some excellent points. I wish to assure him and other members of the Assembly that his concerns are under consideration. This amendment will go some considerable measure toward relieving the cost for equipment and supplies currently chargeable against the statutory amount set out in the sum of \$10,000. That should be a considerable help to hon. members of the Assembly who have taken the opportunity of having constituency offices which, as the hon. Member for Calgary Buffalo said, indeed are of use not for the member but for the people of Alberta. Thank you, Mr. Speaker.

[Motion carried; Bill No. 99 read a second time]

**Bill 95  
Landlord and Tenant  
Amendment Act, 1981**

MR. KOZIAK: Mr. Speaker, in moving second reading of Bill 95, the Landlord and Tenant Amendment Act, 1981, I urge all hon. members to support the change proposed to the original Landlord and Tenant Act of 1979.

The effect of the amendment is with respect to only one aspect of the landlord/tenant relationship; that is, the interest required to be paid by the landlord to the tenant on any security deposit taken in connection with the tenancy. Currently, the interest rate required by the Act is 6 per cent. As hon. members are aware, that is a minimum figure and does not preclude an arrangement between the landlord and the tenant which would see the landlord paying a rate of interest higher than the 6 per cent prescribed by statute. The proposal is an amendment which would replace the existing Section 38(1) with the provision that the interest rate required to be paid would continue to be 6 per cent until the end of this calendar year. Commencing on January 1 of the next calendar year, the interest rate would go to 12 per cent per annum.

In looking at the figure proposed, Mr. Speaker, I thought it might be useful if I shared with my colleagues in the Assembly some of the required rates in other provinces. I propose to do that now. The rates vary all the way from no requirement in the province of New Brunswick through to the majority falling into the position of 6 per cent — Newfoundland, Nova Scotia, and Ontario. Of those three provinces, I am aware that Ontario is looking at an upward increase in that rate. Manitoba's is 9 per cent, Prince Edward Island and Saskatchewan both have 10 per cent, and the province of British Columbia has 12 per cent. So the proposal in Bill 95 would provide for an interest rate on security deposits which would be equal to that provided for in British Columbia, and that is the highest in the land.

Another bit of information which might be of interest to hon. members is the relationship between the prescribed interest rate and the prime rate charged by banks in Canada. When The Landlord and Tenant Act was first introduced as a proposal in 1978, the prime rate was 11 per cent. When The Landlord and Tenant Act, 1979, was passed, the prime rate was 12 per cent. I understand that today's prime rate is 17.25 per cent. So the spread between today's prime rate and the 12 per cent proposed would be 5.25 per cent. When The Landlord and Tenant Act was passed in 1979, the spread was 6 per cent. When The Landlord and Tenant Act, 1978, was first introduced, the spread was 5 per cent. So the proposal is in keeping with the spread that existed on those occasions.

Mr. Speaker, from time to time it has been suggested to me that we should provide for a sliding scale or an interest rate that's fixed by regulation, so it moves with the change in the prime rate. I have considered this suggestion and, after giving the matter a considerable amount of consideration, have rejected it. I do so for a number of reasons. The first is that the failure to pay the interest required by the Act is an offence punishable by a fine of up to \$1,000. I think it's incumbent upon this Assembly to ensure that if we are creating offences, the citizens in the province of Alberta are aware that certain conduct would be a breach of a statute and would be an offence punishable by a fine. We can't do that if we have a different figure every week. We can't do that if, a year later, a landlord must calculate 17 or 12 different times the interest during the previous year.

I mentioned that I had rejected the suggestion for a number of reasons, Mr. Speaker. A second reason, tied in with the comments I'm making now, is that sometimes it's assumed that all landlords are big operators with big establishments. A great many landlords in this province are what might be part-time landlords, whether they have a small apartment block, a fourplex, a duplex, or a suite in their home. The calculation they would make with respect to the interest on security deposits might be on only one security deposit they've held throughout the year. It should not be expected that they would have the financial capability to keep track of fluctuating interest rates and to make the appropriate calculations in order to meet the floating rate. So I have rejected the suggestion that we have a floating rate. I have rejected the suggestion that the rate be set by order in council. Having regard to the severity of the penalty accompanying the lack of payment of the interest, I feel that this should be a statutory requirement and that Albertans should be well aware of that statutory requirement and should abide by it, having full knowledge of the requirement of the statute.

Mr. Speaker, I know that other members will want to make some comments on the concept and the rate that's pegged. I might add some additional information that might be useful in the discussions. I know that the suggested rate of interest of 12 per cent and the existing rate of interest of 6 per cent can be calculated by some as being one-half of 1 per cent per month on the 6 per cent rate and 1 per cent per month on the 12 per cent rate. Of course, a purist will tell you that 1 per cent per month is not 12 per cent. In fact it is somewhat higher than 12 per cent.

But many landlord/tenant relationships do not last exactly one year. Tenants leave. For example, the length of tenancy may correspond with the school year at the university, or it may correspond with some work commitment a tenant may have in a particular location. So when the tenancy is five months, seven months, or nine months, if one wanted to use the 1 per cent per month guide, the 12 per cent would be an easy calculation which both the landlord and the tenant would understand. Although, as I say, a purist would not use that method of calculation, from the point of view of ease I'm sure many will want to use that approach.

Finally, Mr. Speaker, a humorous note. Shortly after The Landlord and Tenant Act, 1979, was passed, I received a call from an angry landlord. That landlord expressed dismay that by statute we had required a 6 per cent interest to be paid on a damage deposit. In this particular case, the landlord said, well, this tenant moved in, paid the security deposit, and two months later

moved out. And your Act made me pay that tenant 6 per cent. So there are people who don't know that 6 per cent means per annum. In fact, that landlord paid 36 per cent and not 6 per cent. But sometimes one learns how to calculate interest by experience, and that was one of those.

With those brief remarks, Mr. Speaker, I urge all hon. members to support the Bill.

MR. NOTLEY: Mr. Speaker, I welcome the opportunity to participate in this debate. I would have suggested to that landlord who ended up paying 36 per cent that perhaps he should have gone to the nearest office of the Department of Consumer and Corporate Affairs and received some advice.

But I say to members of the House that while I propose to vote for the increase from 6 to 12 per cent, first of all, one has to look at the 6 per cent as being absolutely ludicrously low. And I point out to the hon. minister that it would appear that's not just the view of certain people on this side in the House. I note that on April 16, the hon. Member for Calgary Millican quite properly raised the question:

Is the minister considering any legislative action with regard to fixing an interest rate that's more appropriate, about 12 to 15 per cent?

I note around 12 to 16 per cent. That question was posed by the hon. Member for Calgary Millican on April 16, 1981. The minister went into a long dissertation which, as I look it over, somehow led him to the conclusion that if we increased the interest rate from 6 per cent to 12 or 15 per cent, the only beneficiary would be Revenue Canada. I'm pleased to see that in the intervening six months some members on the other side have at least been able to convince the hon. minister that the answer on April 16 was, to put it mildly, rather inappropriate.

Mr. Speaker, what we got from the minister introducing this legislation was a recitation of what other provinces are doing. In my judgment, it's not good enough just to say that other provinces are not doing enough and therefore what we can do, while perhaps inadequate, is good by comparison. Nor can you really compare what other provinces are doing on the question of interest paid on a damage deposit unless you look at what other provinces are doing in the whole field of landlord/tenant legislation. I remind hon. members of this House that there is indeed a good body of support and legislation in other provinces that sets out much stricter rights for tenants and obligations for landlords. So to compare the rights paid on damage deposits without looking at the entire body of landlord and tenant legislation is quite frankly somewhat misleading.

I just remind hon. members that one issue in the recent Manitoba election, where the pressure on housing is not as great as in Alberta, was a commitment on the part of the soon to be former government that legislation would be introduced providing for rental review and an equal commitment on the part of the soon to be government that a form of rent regulation be introduced.

Mr. Speaker, one looks at what is occurring especially in the two major cities — but there are other areas of population growth in this province as well — and sees the real problems faced by tenants. I particularly underscore the plight of elderly tenants in our major cities who face the problems of condominium conversion, and we see no action at all from this government. The minister will say, oh, we're making money available for senior citizens' programs. That's true. But what is equally true is that the

demand and pressures of population growth are such that there is still a very low vacancy rate which has led to (a) substantial increases in rent, and (b) the economics of widespread condominium conversion. That of course is occurring especially in the city of Calgary, where the figures are really very dramatic.

Mr. Speaker, formerly this government took some action. I well recall the position advanced in the Legislature by the former Member for Calgary Buffalo, who argued most persuasively for legislation which would freeze condominium conversion. In the passionate and eloquent presentation of that member, the plight of senior citizens was particularly underscored. Well, the plight the member brought to the attention of the House in 1974 and 1975 is equally valid in 1981. So when one looks at ...

MR. SPEAKER: I hesitate to interrupt the hon. member, but I have real difficulty in connecting a debate with regard to the adequacy or inadequacy of legislation with regard to condominium conversions to a Bill which simply raises the interest on security deposits. If debate on that topic is in order, then this simple little Bill raising security deposits will lead to a wide-open debate on housing, possibly construction costs, and all sorts of things which I must say are not relevant to the subject of the Bill.

The hon. member extended the debate considerably by saying that you had to look at what was done in other provinces if you were going to compare interest rates, and I took no objection to that. But if we're going to get off on the field of conversions and other topics which are not germane to the Bill, other members who might have observations to make on those wide-ranging and other topics will not have had a chance to prepare. And there won't be another member in the House ... Whatever the hon. member says in debating this Bill, whatever points he raises, in fairness I have to permit other members to debate those points. But that's not debating the Bill. So I must ask the hon. member to get back on the track and discuss the question of the increase in interest rates on damage deposits.

MR. NOTLEY: Mr. Speaker, on a point of order. When we're dealing with a Bill like this that opens up an Act, The Landlord and Tenant Act, then in my view, not only as members in dealing with the specific amendment, but if there are serious omissions which we think are related to that amendment — and I certainly want to make the link; no question about that — it is appropriate. I just say to you, sir, that as I recollect many debates you have chaired in this House, very often — as a matter of fact, usually as a matter of course — if any link can be made, you have applied the rule of relevancy in the way that it should in *Beauchesne*, in the way that the Deputy Speaker most appropriately ruled with respect to the Committee of Supply the other day.

With respect to condominium conversion — and I was just coming to that before you interrupted me on whatever point a Speaker makes when he decides to call a member to attention — I was going to make the link with the Bill. I think it is appropriate that I do that and that hon. members have the opportunity to do that as well. I assume that in preparing for this Bill, all hon. members would have done the research necessary. As you can see, I'm not presenting all kinds of statistics. I don't have volumes. I don't have a 60-page memo that I'm going to table in the House. I'm making a simple presentation of what I consider to be relevant issues. Mr. Speaker ...

MR. KNAAK: Mr. Speaker, I too wish to address the point of order. It seems to me the opposition, and not only the Member for Spirit River-Fairview, is taking advantage of the fact that because they're so small, there's been leniency to give them full scope of debate. There is no objection to that.

The Member for Spirit River-Fairview, in addressing the point of relevancy, says the Bill has opened up so he can talk about anything he wants in the aspect of housing. It seems to me that instead of criticizing everything he can think of, he should make a positive contribution by proposing an amendment, then discuss that amendment and not talk about anything under the sun at this point.

MR. SPEAKER: With great respect to the hon. member, the manner in which the hon. Member for Spirit River-Fairview wishes to approach his task is certainly up to him. But I cannot subscribe to a principle that says when a Bill comes in amending an existing statute that opens it up wide for debate in all its aspects. I can think of a minor amendment to a number of very extensive Acts, and there is no way ... It would be unreasonable. Whether it were done on the government side and opposition members hadn't a chance to prepare with regard to unexpected and scarcely relevant material, or whether it came from the opposition side, it's quite immaterial. It's the same thing. I can't subscribe to a principle that says the whole subject matter is open for debate on any Bill.

Now I realize there have been occasions in the past when the latitude has perhaps been too wide. I wouldn't say that that has been limited to any particular member. I'm not going to mention any constituencies. But in any case, I'll be interested to see the connection the hon. member has said he will develop between his remarks and the topic of the Bill.

MR. NOTLEY: Mr. Speaker, I think the point I was going to make is that there is a link. But on the point of order, before I proceed, I would just say, so there should be no misunderstanding, that I must confess a certain amount of astonishment at the Member for Edmonton Whitemud suggesting that I introduce an amendment on second reading. I know the Member for Edmonton Whitemud knows full well that one cannot introduce amendments in second reading. I would have thought, Mr. Speaker, that would be clear to all members of the Assembly, in view of the discussion we had the other day. I'm rather surprised, sir, with great respect, that you didn't point that out to the hon. member. But ...

MR. YOUNG: Mr. Speaker, if the member is finished on the point of order. I think the point is quite validly made that on second reading the discussion and the addressing of the Bill should be on the principle of the Bill which, in this situation, is a very specific topic. I think the matter of relevancy is extremely well raised in this situation. I simply support what I believe must be the discipline that all members in the Assembly must impose upon themselves if the Assembly is to make reasonable progress; that is, to adhere, particularly at the second reading stage, to the principle at issue.

Mr. Speaker, I look forward to the conclusion of the very large circle which the hon. Member for Spirit River-Fairview proposes to close on this particular topic, in order to create some relevance where none has been apparent to me to this point in time in his recent comments.

MR. KNAACK: On the point of order, Mr. Speaker, in response to the Member for Spirit River-Fairview. As was pointed out by my hon. colleague, the point is that on second reading you discuss principles. If a person wants to go into wide-ranging discussion, that is in committee. That's when you make the amendment. You discuss your own amendment and make a positive contribution.

MR. SINDLINGER: Mr. Speaker, on the point of order. I have a very brief observation, and it's simply this. I don't think at this particular time we should restrict ourselves. I agree that any discussion on second reading should be directly addressed to the amendment. But there may very well be instances where that amendment would have repercussions in regard to the rest of the Act as well initially. So it would be inappropriate just to restrict debate or discussion simply to the amendment when it might have repercussions or consequences for the other part of the Act. I think we should leave ourselves the flexibility to address that when circumstances so indicate.

MR. NOTLEY: Mr. Speaker, just to very quickly conclude any observations I might have on the point of order. If one is to assess the adequacy of a Bill — and surely that is what we're doing when discussing the principle — one of the aspects we have to review is: is the response in the Bill adequate to meet the problems we see? I think it is totally appropriate in addressing the question of adequacy in addressing the principle to look at the proposition in the context of landlord and tenant legislation.

The reason I raised the example of condominium conversion, sir, quite properly, is that it's my submission that this increase in the damage deposit of 6 to 12 per cent, while I see it as generally positive, is not an adequate response to the total situation that confronts tenants in Alberta. I think it would be somewhat unfair of me not to express that point of view during second reading of the legislation. The reason I made reference to other provinces is that it seems to me it is certainly wrong and even misleading to simply take statistics from other provinces without recognizing that other provinces have other aspects of landlord and tenant legislation which may make 9 per cent reasonable in one province and 12 per cent unreasonable in another.

In addressing the question of second reading, the principle, if we aren't able to do that, then I suggest, Mr. Speaker, we are not able to fulfil our function of properly addressing the principle of the Bill. Having made those observations about, in my judgment, the inadequacy of the response, I regret that given the almost desperate situation many tenants face in this province, the move will be marginally helpful, but only marginally. I say to the minister quite frankly: how do we arrive at this magic difference of 5.25 per cent? On what basis is that somehow a reasonable figure?

If a businessman goes to the Alberta Opportunity Company, he's not able to borrow at 12 per cent these days. He's got to pay considerably more than that. On what basis is it reasonable that security deposits — and after all, these are security deposits. This is a deposit the tenant puts down so that if there is damage to the apartment, that damage is paid out of the security deposit. But why is it reasonable that a landlord should be able to pay 5.25 points under the bank rate when the same businessman going out to borrow money from the Alberta Opportunity Company to build an apartment has to

pay considerably more? I really wonder at the rationale, Mr. Speaker.

I say to the members of the House today: is this really a reasonable figure? I can agree with the minister that it shouldn't be changed every month or so. I think an annual damage deposit makes a good deal of sense. We set a figure. But I say to the hon. minister, especially when one of his colleagues mentioned — and this is before bank rates really began to climb in the summer — a figure between 12 and 15 per cent, and I note 15 per cent in *Hansard*, on what basis have we now arrived at 12 per cent, especially when you look at the absence of tenant protection in Alberta legislation that exists elsewhere in the country?

So I say to the members of the House this evening, Mr. Speaker, let us not assume that this is anything more than a very modest step, modest indeed, and one which, given the tight housing situation in this province, is seriously inadequate in terms of protecting the tenants and ensuring a reasonable balance between landlord and tenant in the province of Alberta.

MR. SINDLINGER: Mr. Speaker, I would like to say that I agree with the direction of the amendment, increasing the interest rate on deposits from 6 per cent to 12 per cent in January 1, 1982. However, I also have some reservations about the order of magnitude of that increase. Of course, the 12 per cent is much less than a renter could get by depositing his or her money elsewhere. As such it is an opportunity cost, and sometimes it can be an onerous cost, depending upon the financial circumstances of that particular individual. I understand that the minister has considered other methods of setting the interest rate other than the fixed 12 per cent. I would ask the minister that he give further consideration to some other method. We are now in a situation where interest rates are extraordinarily high, but history has shown us that interest rates can be extraordinarily low as well. So when we have a situation such as we have today where interest rates are pegged at a certain point, we're going to have legislators coming back here on a regular basis, coming up with the same amendment, and repeating the discussion we're having tonight.

There is merit in giving further consideration to setting up an interest rate or interest scale that is more realistic and reflects the conditions in the market place. Of course, there are inherent difficulties in trying to set up some sort of sliding scale or flexible scale, as the minister has pointed out. But I believe those problems can be overcome by selecting an interest rate that's in the market place at the time a landlord/tenant agreement is entered into. For example, if the minister and I were entering into negotiations today for rental space, the interest rate on my deposit could be set at, say, the interest rate being paid on a Canada savings bond today. That interest rate could be used as the one for the term of the agreement. It's the opportunity cost that the tenant is faced with. The tenant can give the money to the landlord or he can give the money, say, to the Canada savings bond and earn that interest rate. If the interest rate is significantly and substantially below the market rate, then that opportunity cost is transferred as an opportunity for profit to the landlord. In the situation that exists today, it's very substantial.

In principle, I support the direction of the Bill — that is, increasing the interest rate from 6 per cent to 12 per cent — but I would very strongly urge the minister to consider again a sliding scale or a scale that is more

appropriate and reflective of the market conditions and the opportunity cost faced by a tenant when he enters into negotiations with the landlord.

MR. KNAAK: Just a brief comment on this, Mr. Speaker. [interjection] It is going to be brief. Talking about opportunity cost, it's a worthy consideration all right. A couple of elements are involved. First of all, the landlord will have to put the damage deposit into a very short-term deposit of some sort, because the tenant is only obligated to give one month's notice. It's clear that the landlord could not deposit the damage deposit in a Canada savings bond, which is for a longer period of time.

The interest rate is falling; there's no way of predicting with accuracy what interest rates will do in future. In fact, the deposits now on a monthly deposit would be somewhere in the neighborhood of 12 per cent. Just to put the whole matter into perspective, if we're talking about a difference in the interest rate between 15 per cent and 12 per cent on a \$300 deposit, we're talking about a difference of \$9 per year on a \$300 deposit. The ease of calculating a 12 per cent interest rate makes up for any complexity involved in making it a floating rate or some other rate which varies a very small amount from 12 per cent. The opportunity cost that was raised by the Member for Calgary Buffalo is zero when in fact there's a 12 per cent return, which the tenant could obtain on a monthly deposit. The ease of administering 12 per cent, roughly being 1 per cent a month, easily makes up for the difficulty otherwise involved.

MR. PAHL: Mr. Speaker, the hon. Member for Edmonton Whitemud was partly on my point, but when considering this legislation I think it is worth while noting that if the interest rate paid to a tenant is greater than the effective interest rate the landlord receives, including his administration costs, then it would be clear to me and to most members that the landlord would have to cover the difference in rent increases, provided he is in a position in the market place to recover that. The other side of the coin is that in a situation where I was renting, the damage deposit is really part of the cost of rent. To the extent that you treat other people's property in the manner it should be treated, you would recover that less the cost of interest lost.

I would also remark, and perhaps the minister would reflect on this in his remarks, that where the damage incurred by tenants exceeded the damage deposit, it would seem to me there would have been interest inappropriately paid in that case. What remedy would the landlord have to recover inappropriately paid rent, in addition to damages in excess of what he had recovered?

Mr. Speaker, the point I'm trying to make is that what we're dealing with is in effect a nominal return to the renter for money placed on deposit. Certainly it becomes significant when you're dealing with large-scale operations, but it's main importance is to reflect some equity. Hon. members who try to suggest or pretend that we're going to get into long, complicated formulas to address a relatively simple transaction between a landlord and tenant are, shall we say, gilding the lily with respect to this debate.

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

HON. MEMBERS: Agreed.

MR. KOZIAK: Thank you, Mr. Speaker. In concluding debate, I did want to raise the very point the hon. Member for Edmonton Mill Woods raised. That is that we can't look at the damage deposit in isolation as if it was an investment certificate a tenant was purchasing, or as if it was a savings account he was opening with the local credit union, bank, or treasury branch. It's interwoven with the entire relationship, and part of the provisions of the Act, part of the give and take that took place when The Landlord and Tenant Act, 1979, was first brought to the attention of this House, included the fact that we imposed a limitation on the amount of the security deposit, so that the landlord could not accept or demand more than one month's rent as a security deposit. Now I'm sure hon. members will be able to provide details of many complaints they've received, as I have received, about damages that far exceed the security deposit that was there to protect the premises. Some of these situations are pretty horrendous. The repairs required would be in the thousands of dollars where the entire floor was sawn through with a chain saw — more than what you would call normal wear and tear, although there is some tear, I suppose.

So, Mr. Speaker, one must keep in mind that there is a balancing effect taking place, that the rights of landlords and the rights of tenants are both looked at. In this Landlord and Tenant Act, we've tried to come up with an approach that would judiciously deal with both of them in a way that would be fair and just to landlords and tenants. If we keep that in mind, we recognize, of course, that the proposed interest rate of 12 per cent is a justifiable one.

Mr. Speaker, if I had my druthers, I would prefer that the interest rate on the security deposit remain at 6 per cent and the prime rate were 11.5 per cent, because that is the basic problem that faces tenants today. That's the basic problem that faces landlords, homeowners, mortgagers, businessmen: the high interest rate.

When the Member for Spirit River-Fairview raised my response to questions posed to me by the Member for Calgary Millican during the course of the spring session, at that time I sincerely hoped interest rates would quickly fall. In fact, that did not take place, and the extended period of high interest rates was what caused me and my colleagues to take another look at the rate referred to in this section of the Act.

I don't want to spend too much time on the comments the Member for Spirit River-Fairview made with respect to other areas, such as condominium conversion, but hon. members should keep one fact in mind. The effect of condominium conversion is the same effect as a person who owns a home asking the tenant to leave because that person is moving back into his own home, or asking the tenant to leave because he is selling that home. What the hon. Member for Spirit River-Fairview is suggesting is an interference with rights that people in this country have enjoyed for a long time. I'm sure if his constituents were aware of it, they would be deeply disappointed with the suggestion he's putting forward. The basic property rights of Albertans would be jeopardized at the whim of somebody who, by the thoughts he brings forward, seems to aspire to sit forever in the opposition.

Now the hon. member suggests that I voted for something in '75. Unfortunately, there are some who will take a look at half an apple and conclude that it's the whole. We had a typical example of that earlier in this fall

session, Mr. Speaker, when the hon. member indignantly stood in his place and said, the Cosgrove CMHC report — which I of course as a member of the New Democratic Party had an immediate pipeline to before even members of the government did — suggests that only one in 66 renters in Edmonton can afford to buy a home. That's what he told us. But he didn't tell us the assumptions on which that was based. [interjections] What he didn't tell us was that it assumed an interest rate of 21 per cent and completely disregarded the Alberta family home purchase program.

SOME HON. MEMBERS: Shame.

MR. KOZIAK: Now we don't live in a vacuum. We must look at all the facts. When the hon. member suggests that in 1975 I voted to prevent condominium conversion, he should look at all the facts. It was part of a rent control program. That program wasn't in isolation; it was part of an anti-inflation program which we joined the federal government on. And the concept of prevention of conversions was there strictly to prevent the rent control program from being made a mockery of. So when the hon. member suggests that that was supported in '75, he shouldn't look at that in isolation. One must look at the whole apple and say what the circumstances were. What else happened in 1975? Because one can mislead just as easily by only giving half the facts as by distorting them.

Mr. Speaker, I think we are going to have the opportunity, having regard to events this fall, to reach an item that the hon. Member for Spirit River-Fairview has placed on the Order Paper, The Temporary Rent Regulation Measures Act, 1981. I look forward with a great deal of interest to that particular debate, because from time to time the hon. member suggests — and he suggests in the landlord/tenant relationship — that we should consider rent controls as was considered in Manitoba. Mr. Speaker, everywhere where rent controls exist, I hear the problems.

MR. SPEAKER: With great respect to the hon. minister and coming back to the apple, may we proceed to the core?

MR. KOZIAK: Mr. Speaker, I had grabbed by the stem the bad apple thrown to me, and I thought I'd deal with the matter. But I know that I'll have the opportunity to deal in depth with the other matter, and I'm looking forward with a great deal of enjoyment to sharing some facts with the hon. member on this very important issue. With that, Mr. Speaker, I encourage all hon. members to support Bill 95 in second reading.

[Motion carried; Bill 95 read a second time]

MR. CRAWFORD: Mr. Speaker, before adjourning till tomorrow, I would indicate that for tomorrow's business it is proposed that Bill No. 92 be called. That is a substantial issue and no doubt will attract some debate, so it's not clear whether or not there would be time tomorrow afternoon for other items. If there is time, we propose committee study of such Bills on the Order Paper as are available for committee study.

MR. SPEAKER: Before putting the question, may I just advert for a moment to what I said earlier this afternoon about making available for all members copies of the material relating to the point of privilege raised by the

hon. Member for Spirit River-Fairview, and say that we ran into difficulty coping with this on our photocopier and therefore I had to send it out to be done. I am told that we will have all the copies tomorrow morning, and I'll have them distributed as quickly as possible to the members' offices if it can be done.

MR. R. SPEAKER: Mr. Speaker, on the point of order you have raised at this time, I wonder under what rule or authority the information forwarded to you from the hon. Member for Spirit River-Fairview is being provided to the other members of the Assembly. I haven't known of any precedent for that, and I'd appreciate a definition as to why it's done. I don't know of any point of privilege that's even before the House at the present time. You're promising material to other members of the Legislature to enter into the debate, equal material, and I really don't think that is part of the debating system.

Every member is responsible for securing his or her own material. The hon. Member for Spirit River-Fairview had that material given to you to support the point of privilege so that you could be well informed and able to sit in a neutral position in making judgment. I would only say that I'm very concerned with that kind of action, and certainly ask you to review the matter you have taken upon yourself to enact at this time.

MR. KOZIAK: Mr. Speaker, if I might speak to the point of order, I think the Leader of the Opposition is presuming that the 60 pages of material is debate. From the comments I have heard today, I make a presumption as well that in fact the entire point of privilege raised is based on the 60 points. There's a big difference between whether or not the reproduction is the point of privilege or the debate.

I agree that each member should come prepared to debate on the basis of the material that individual has, but at the same time, that's another matter on the point of privilege. To revert to proper parliamentary procedure, Mr. Speaker, if the point of privilege encompasses that amount of material, we should at least be aware of the point of privilege so that we, you, the hon. Leader of the Opposition, and others can be prepared to deal with the matter.

MR. NOTLEY: Mr. Speaker, on the point of order.

[Two members rose]

MR. SPEAKER: Order please. I believe the hon. Member for Spirit River-Fairview caught my eye first.

MR. NOTLEY: Mr. Speaker, on the point of order, I think the issue is whether or not it is appropriate for the Speaker to have duplicated background information. The point of privilege of course was not the 60 pages at all, but in fact was supporting material that I made available to the Speaker as per the rules. The rules of the House say that one must give the Speaker at least one hour's notice before raising a point of privilege. In that notice, I outlined very briefly what the point of privilege would be. I don't want to get into the debate that took place this afternoon. I regret we didn't have an opportunity to raise it formally in the House, but that's a matter which has been dealt with already.

The issue now is whether it is appropriate to have what was supporting evidence given to the Speaker. Normally, as I understand the procedure, that evidence would be



reviewed by the Speaker to determine whether or not there is a point of privilege. I might just say to members of the House that my intention in any event was to table the information in the Legislature this afternoon as per the point of privilege, so I certainly want all hon. members to obtain the supporting documentation. However, I think the appropriate course would be for me to have tabled it, as opposed to the Speaker taking it upon himself to make information available which I presented to him as supporting evidence only. But it's not the point of privilege. It's just supporting evidence, some of which may be relevant, some of which is not relevant, to be quite honest with members of the House.

As Mr. Speaker will know if he has had an opportunity to review the material, rather than just taking little bits and pieces of documents, it was only appropriate that the total documentation be provided to the Speaker. Whether all or part of that is relevant is something we'll have an opportunity to debate in due course. But it's my judgment, Mr. Speaker, since the supporting evidence was documentation, it would have been more consistent with parliamentary tradition if I, as the member raising the point of privilege, had the opportunity to table that information in the House, and then members would have had a chance to review it as individual members.

MR. PAHL: Mr. Speaker, on the point of order, I feel that the hon. Member for Spirit River-Fairview is, as was described before, describing only half the apple. The rules say that:

- A member wishing to raise a question of privilege shall
  - (a) before Orders of the Day are called, and
  - (b) after giving written notice containing a brief statement of the question to Mr. Speaker at least one hour before the opening of the sitting

Mr. Speaker, if his judgment of a brief statement of the question is 60-plus pages, I find that he protests too much, shall we say.

MR. SPEAKER: With great respect to the hon. Member for Edmonton Mill Woods, the point of privilege was referred to in a two-page letter. As I said, the material which accompanied the letter extended, just on an estimate, to some 60 pages.

I must say that I'm rather astonished that this material ... It was not sent to me in confidence; it was sent to me supporting the point of privilege. Surely if we're going to have a debate on a serious point of privilege in this House, I ...

MR. R. SPEAKER: That's not the debate. It's the material that other people gather. That's their business.

MR. SPEAKER: I say again, if we're going to discuss a serious point of privilege in this House, and there is information in my possession which is relevant to that point of privilege — and I have to assume it is or it wouldn't be connected with the letter — I just can't see why I shouldn't ... Not only is it proper, but in fairness to the members of the Assembly — opposition and government alike; it doesn't make a bit of difference — it's an obligation to know what this is all about. Surely this is a right to know, a matter of disclosure. I haven't revealed any confidential information. That's not the point at all. The hon. member says, table it. Obviously he intends the members to get that information, but if it's

tabled in the course of his raising the point of privilege and we deal with it on that occasion, the members will not have had a chance to see it. There's a basic question of fairness.

MR. KNAAK: Mr. Speaker, I'm addressing the point of the Leader of the Opposition. His point was that this information, that none of us have seen, should not be distributed to us. For a person who has challenged the government for keeping documents secret, all I can say is what has happened to open government and to the opposition's fairness in ... [interjections]

MR. SPEAKER: Order please. The hon. member can be heard in a moment.

MR. R. SPEAKER: On a point of order.

MR. SPEAKER: The hon. member will have a chance in a moment to comment on the fairness or unfairness of these comments.

MR. KNAAK: Thank you, Mr. Speaker. I'm surprised to see the Leader of the Opposition jump up so quickly when in fact he just said we shouldn't be entitled to see them. He's got a secret document that affects us, and now he is the one who is saying we cannot see it.

MR. SPEAKER: Order, please. The hon. Leader of the Opposition.

MR. R. SPEAKER: Mr. Speaker, on the point of order, the matter is what I feel the rules are. I have always been under the impression — and I've had the opportunity during this session to raise points of privilege — that my communication between you and me was maintained in confidence, and that the point of privilege was initiated when I raised the matter in the Legislature. Then the point of privilege becomes one of the Assembly, and it's public information at that point. The only reason I have ever felt that the rule was here was to provide notification so that you, Mr. Speaker, would be able to consider the matter, think the matter through, get back-up documents in terms of *Beauchesne*, *Erskine May*, our House rules, to look at the privilege. It was a courtesy to you, Mr. Speaker. In many legislatures and houses of commons, as I understand it — and I will research this point — often no notice is given to the Speaker.

So, Mr. Speaker, that was the reason for it. I made a request on my earlier point of privilege prior to bringing it, and your concern that was issued to me was that I only gave it to you an hour, or a short period of time, before the Legislature opened. I was concerned about bringing it earlier because I said, is it maintained in confidence? I was assured it would be, not by you, Mr. Speaker, but other authorities in the Legislature. I presented it to you at that time. This is the first time I did not know I was presenting something that would not be held in confidence between you and me.

Mr. Speaker, as I said, the point of privilege to be raised in this Legislature becomes effective when the member who wants to raise the point of privilege raises it in the Assembly as a public issue in this room. At that point in time, it is the business of the Assembly. But until it is raised in this Assembly, it is not the business. The point of privilege of the hon. Member for Spirit River-Fairview is not yet the business of this House because it has not been raised. But even at this point in time, you

are issuing information to other members of this Assembly — or said you will have it prepared and are going to give it to other members of this Assembly — so they can debate in all fairness. Look at all debates in this Legislature. When I have a good piece of information, the pile of information I had here that I used in a one-hour debate on Bill 258, I should have given to you to photocopy and distribute to all members to have an equal type of debate and equal information. It doesn't happen that way, Mr. Speaker. I don't see where you have come up with that rule at this point in time.

I would like to refer to the *Standing Orders* of this Legislative Assembly to support what I have just said.

14(2) A member wishing to raise a question of privilege shall

- (a) before the Orders of the Day are called, and
- (b) after giving a written notice containing a brief statement of the question to Mr. Speaker at least one hour before the opening of the sitting

This is the important part of the sentence:

... call attention to the alleged breach of privilege and explain the matter.

That didn't happen this afternoon.

Let's go on from there. That would have put the matter on the agenda of this Assembly. Mr. Speaker, I would like to quote Section 14(4):

Mr. Speaker may . . .

The word is "may", and that's an important word. . . .

allow such debate as he thinks appropriate in order to satisfy himself whether a prima facie case of breach of privilege has taken place and whether the matter is being raised at the earliest opportunity.

That's "may", but that decision is made by you, Mr. Speaker, after the matter is on the floor of this House. Then you can intercede and say, the debate must stop; I want to give a one-day waiting period until other people have gained material. At that point, the hon. member could be requested to table something he has referred to or read out of. You could say that, because of the massiveness of this document, I would like to have it photocopied, or by someone else through the Clerk's office — I don't think your own office should have it photocopied. Other members of this Assembly could then have the material.

Mr. Speaker, I think you have intervened in two places I can't accept. One is in not allowing the matter to come on the agenda as a point of privilege — I don't know what the case is yet; I don't know what the hon. member is saying — secondly, taking the initiative to allow material that has transferred between you two to be run off and distributed to all members of this Legislature without even consent. I don't think that's acceptable, Mr. Speaker. There is nothing here that says to me that that should be an act or a responsibility of the Speaker. I think you have taken an initiative that is outside your terms of reference.

MR. SPEAKER: Order please. This is a point of order. It's not a matter of debate on the Order Paper. I suggest that the hon. Member for Spirit River-Fairview has already spoken once. I propose to recognize him once more, the hon. Member for Calgary Buffalo once more, and the hon. Minister of Education. Was there a fourth? Then I'll deal with the observations made by the hon. members.

MR. NOTLEY: Mr. Speaker, I would ask you to reserve any judgment tonight. I think that a premature decision by you on this matter would have the most dangerous and far-reaching implications for this Assembly.

The Leader of the Opposition is perfectly correct. When one follows the rule, which is one hour's notice, and provides background information, normally that is provided for the information of the Speaker in determining whether a prima facie case of privilege exists. It is not the property of the House until the member raises it. In any other circumstances where a situation like this occurred, it would surprise me if a person, particularly the Speaker of the House, would take it upon himself to duplicate material without consulting with the individual who sent him that material. I would say to you, sir, and especially to the hon. Member for Edmonton Whitemud, who seems to be under the impression that the Leader of the Opposition is against this information being tabled, that no one has ever said that.

AN HON. MEMBER: Yes, he has.

MR. NOTLEY: That is not the issue. The issue is the way in which that information is made available to members of the Assembly. I frankly suggest, and I say to all members of the House irrespective of where we sit in the House, that the proper parliamentary approach is for the member to succinctly state the point of privilege. If that point of privilege is based on background documentation, and it was in this case, then it would have been perfectly correct and indeed the obligation of members to ask that it be tabled. In this particular instance, I would have tabled it. It was my intention to table the information. But surely that is an obligation on me. It is also the right of other members to ask for that information. It is not mandatory on the part of the Speaker to do that. Nor should he in fact take it upon himself to do it without either a call from the other members or at least consent of the individual who consults with the Speaker.

It is a highly dangerous precedent that information given to the Speaker as per this section of our rules is, at the discretion of the Speaker, made available for general distribution before it is the property of the House. The point that the hon. Leader of the Opposition makes is totally valid. This is not the property of the House until it is formally raised in the House. It is not a point of privilege you are making as Speaker of the House. It is a point of privilege that I am raising as the Member for Spirit River-Fairview. Therefore, it cannot put in the House until it is raised by me as a member advancing the prima facie case for a point of privilege.

We have gotten into a long and rancorous debate today in the House which I suggest will be exacerbated if we have a decision today that seriously jeopardizes what must be a relationship of confidentiality between the member and the Speaker until such time as it becomes the property of all the members of the Legislature. I say to you with greatest respect sir, that rather than making a premature judgment tonight, or being stampeded into a premature judgment by other members of the House, it would be in everybody's interest if this matter were held over until tomorrow, at which time you could make a judgment.

MR. SINDLINGER: Mr. Speaker, will you be making a response to the suggestion that this matter be held over until tomorrow?

MR. SPEAKER: I've made too many responses already. I'm afraid that the only extent to which I perhaps might have done things differently is that I have responded member by member. I'm going to wait this time and hear what the hon. member and the hon. minister have to say. Then I'll respond to all the comments as far as I can remember them.

MR. SINDLINGER: I was just inquiring about the suggestion about holding this over until tomorrow, Mr. Speaker. In regard to the point of order that is before us right now, we did have an attempt by a member this afternoon to raise a point of privilege. I noted at the time that unless more information was given, neither I nor any other member could determine what the point of privilege was. We did go through that. In my opinion, I think the point of privilege really hasn't been brought before the Assembly yet. Therefore, the material we're discussing at this time still remains the property of the Member for Spirit River-Fairview. Clearly, he's given us the impression tonight that it's not his desire to have that material distributed to other members. Inasmuch as it is still his material and property, I think we should abide by his desire to have it presented to the Legislature in the manner in which he desires to have it presented. It seems to me that that is the way the rules are laid out and it would naturally follow.

I also expect a great deal of neutrality from you when it comes to points of privilege. Over a year ago, I approached you when I was in a situation where I wanted to raise a point of privilege. I did so according to the rules. I fully expected you to be neutral on that matter and hold in the strictest confidence the information I had given to you at the time, and I'm sure you did. I expect that this type of confidence would be carried out here as well.

I just conclude by saying again that I believe that since the point of privilege was not laid before the Assembly today in the normal fashion, according to our standing rules — or not accepted according to our standing rules — the property remains that of the Member for Spirit River-Fairview and should be disposed of as he wishes it to be.

MR. KING: Mr. Speaker, I begin by having reference to Annotation 17 of the current edition of *Beauchesne*, to the effect that:

A question of privilege ought rarely to come up in Parliament. It should be dealt with by a motion giving the House power to impose a reparation or apply a remedy. A genuine question of privilege is a most serious matter and should be taken seriously by the House.

Subsequently, at Annotation 18, we find the statement that:

Parliament is a court with respect to its own privileges and dignity and the privileges of its Members.

Mr. Speaker, I'd like to have reference to *Erskine May*, 19th edition, pages 170 and 171, where we read that:

Before making a complaint against a Member it is the practice, as a matter of courtesy, to give him notice beforehand.

If a Member who makes a complaint against another Member has failed or been unable to give the Member notice of his intention to do so ... the more regular course is to adjourn further consideration of the matter of the complaint to a future day and to order the Member whose conduct is im-

pugned to attend the House in his place on that day. I may say, with respect, that were the Premier in this city, I don't believe it would be necessary to order his attendance in the House for the consideration of this matter. But I'd like to repeat what *Erskine May* had to say: first of all, it is a practice as a matter of courtesy to give the member against whom a charge of a breach of privilege is considered notice of such; secondly, if the member is not or cannot be in his place, consideration would be adjourned until such time as he is able to be in his place. I agree with the comment that this has been the subject of acrimonious and emotional debate. I hope all of us, on both sides of the House, can withdraw from our emotional involvement and consider the matter in a more dispassionate light.

If I could, I'd like to spend a moment on the question of the role of the House as a court in its own right. That suggests to me that in our consideration of this matter, we should not be concerned with rhetoric, debate, or scoring debating points but with the most complete, the fullest possible consideration of the facts relevant to the case. It should be the interest of all members that each other member in his capacity not as a member of the Legislature but as a member of a court, should have access to the fullest possible information.

With respect to your role, Mr. Speaker, I can sympathize with the understanding that has developed over time about the process, but I would respectfully suggest that a misunderstanding has developed. The Speaker, in his position as the officer of the Assembly, the servant of the Assembly, is the person into whose hands are delivered material which, with respect to a question of privilege, is meant for the members of the Assembly in the same way that when evidence is delivered to a judge in a court by the defence lawyer, it is not meant to be held secret by the judge but is meant to be given to the prosecuting attorney and vice versa.

If you have reference to the statement in *Beauchesne* that for these purposes we are a court, I would only repeat two points. First of all, we are engaged in an exercise that should be based on facts and not on rhetoric. We should not be concerned to score debating points; we should be concerned with the fullest, most complete revelation of the facts. Secondly, when material with respect to an allegation of a breach of the privileges of a member or of the House is delivered to you, Mr. Speaker, the authorities are quite clear that it is delivered to you in your capacity as the Speaker of the House. With respect to the subsequent consideration of the case by the members of the House, it is meant for the members of the House. Rule 14 is quite clear that the only requirement of a member is to deliver a brief summary of the matter to you. Anything beyond the brief summary is delivered at the sole discretion of the member who initiated the concern. He is responsible for what he delivers to your hands.

Thank you, Mr. Speaker.

MR. R. CLARK: Mr. Speaker, I wonder if I might be permitted to make three points. I wasn't in the Assembly this afternoon, but I'd like to raise three points. One, I understand that what took place this afternoon is that a matter of privilege was raised by the Member for Spirit River-Fairview, but he was not allowed to proceed to present the case to the House. That being the case it seems to me, with the greatest respect, that if you, sir, are to make information presented to you by the member available to all members of the House before the member

raising the issue has the opportunity to place the matter before the House, in my judgment — and solely in my judgement — that would change the relationship that individual members have and that I certainly felt I as Leader of the Opposition for seven years had with your office, sir. In the same tone the Minister of Education has just raised, from the standpoint of not trying to score debating points but to be concerned about what goes on in this Chamber, which is the highest court in the province, I think that would be a change in the way of going about things in this Assembly which, in my judgment, would not be in the best interests of the Assembly or the highest court of the province. That's really the only point I'd make, Mr. Speaker.

MR. SPEAKER: I thank hon. members for their observations. First of all, with respect, the hon. Member for Calgary Buffalo seems to be equating an occasion on which a member goes to a Speaker for advice concerning a point of privilege and another occasion on which the member has decided to raise the point of privilege and gives the Speaker notice. Now, I don't recall exactly the occasion to which the hon. Member for Calgary Buffalo referred, but if it was an occasion on which he was seeking some kind of advice, then of course that would be totally confidential. But here, this was a matter of giving notice under the *Standing Orders*. The supporting material was made an integral part of the notice, as members will see when they see the material, because the statement of the question of privilege referred specifically to the supporting material. So the notice as given is not complete on those two pages but by reference incorporates something from the supporting material.

Now, as has been mentioned a number of times, I received that as a servant of this House, not as a solicitor to the member raising the point of privilege and obliged to keep material confidential until I was given instructions to release it. I received it as a member of this Assembly. We might as well be very, very plain about this. There are two ways of dealing with this material. One is for me to withhold it and have the hon. Member for Spirit River-Fairview proceed with his point of privilege on a proper occasion, refer to the material without other members of the House having had a chance to see it, and then because of the extent and nature of the material, either an hon. member or me suggesting that consideration of the matter be postponed until the hon. member either tabled the material and members had a chance to see it that way or I distribute it to them. Or we have the material beforehand so hon. members may become familiar with it, and then we deal with the matter on one occasion instead of truncating it into two events where we warm the same topic over on two different occasions and thereby lose probably as much time in this

House as we have lost today with these discussions.

So it's simply a matter of practical fairness. [interjections] This is a court. The material does not belong to the hon. Member for Spirit River-Fairview. The material belongs to this Assembly because it was given to me as an officer of this Assembly in support of a point. I must reject out of hand any suggestion that there has been any breach of confidence or trust. The material was given to me as an essential part of a notice. This afternoon, the hon. member wanted to read — to what extent, I don't know — from that material. Although I didn't have the reference in front of me — I have it now — this would be a most peculiar proceeding.

Here we are, the highest court in the province; we have a member ready to make a complaint about the conduct of another member and to read that complaint to the court, if that's the expression you want to use, in the absence of the person being charged — a most totally unheard of proceeding. The person being charged has the right to know what he's being charged with. In any kind of court, that is known ahead of time. One of the first things a prisoner has to know in that kind of proceeding is the charge. In a civil proceeding, pleadings are filed — a statement of claim, a statement of defence. None of that is confidential between the person who files it and the clerk of the court. It's there. It's the property of anyone who wants to refer to it.

Well, there's no purpose in perhaps going on about it. But I simply must say that I'm totally amazed at any suggestion that there has been any kind of breach of propriety or breach of confidence. I must reject those suggestions out of hand. The material belongs to the Assembly. The Assembly has the right to know what is there so that when the question of privilege arises, instead of dealing with it on two occasions we'll hopefully deal with it on one occasion, with all members knowing the situation. [interjections] The length of the session has nothing to do with this question of privilege or with me. I regret that hon. members feel the way they do about it, or they apparently feel that way. But to do anything but what I have done would be totally unfair.

MR. NOTLEY: Mr. Speaker, on a point of privilege.

MR. SPEAKER: Order please. There is no further dealing with this point of privilege. We've been through this before. I will not hear the hon. member further on the point of privilege.

MR. CRAWFORD: Mr. Speaker, I ask that you put the motion I made some time ago.

[At 11:43 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]