

## LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Thursday, November 26, 1981 2:30 p.m.

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

## PRAYERS

[Mr. Speaker in the Chair]

head: ORAL QUESTION PERIOD

## Government Documents

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister responsible for Personnel Administration. In view of the reports of a manhunt now being conducted in the Department of Transportation to determine the source of an alleged leak of some documents ...

MR. SPEAKER: Order please. The hon. member knows that that kind of inflammatory language is out of order in the question period. That may be the reason it was used; in any event, that's beside the point. I'd ask the hon. member to ask his question in an appropriate way.

MR. R. SPEAKER: Mr. Speaker, to the hon. minister. In light of this manhunt ...

MR. SPEAKER: Order please. Would the hon. leader resume his seat? The hon. Member for Spirit River-Fairview.

MR. R. SPEAKER: Mr. Speaker, I think I have the right to ask the question.

MR. SPEAKER: I'm sorry, if the hon. leader persists in [asking] it improperly, I can't recognize that right. His rights are subject, as are the rights of all other members of the Assembly ...

DR. BUCK: Just this side.

MR. SPEAKER: ... to the *Standing Orders* and to appropriate parliamentary procedure.

MR. R. SPEAKER: Mr. Speaker, under Standing Order 12(2), I'd like you to clarify very clearly for me, so that I know what rights I have in the House, this matter of asking questions. I'd like to have the citations as such placed forward for me, so that I know why I have been interrupted, why I can't ask questions in this House, and why I can't find out what this government is doing. If it's because of the rules of this House and the suppression that's going on, I think that's unfortunate. [interjections] I have a question, and if the rules are going to get that tight and suppressive, I wonder where democracy is.

MR. NOTLEY: Mr. Speaker, on a point of order. [interjections] Yes, there is a point of order. The hon. Leader of the Opposition has raised a point of order with respect to his ability to ask a question in the Legislative Assembly, and whether his use of the term "manhunt" is unparliamentary. Mr. Speaker ...

MR. SPEAKER: Order please. That's not the point.

MR. NOTLEY: Oh, it certainly is.

MR. SPEAKER: No, it isn't. This is not a debate. This is a question. If the hon. leader will look at the 5th edition of *Beauchesne*, on page 129 he will find a list of reasons, which are not new. They were also in the 4th edition of *Beauchesne*; it's practically unchanged. The very first of the restrictions with regard to questions in the question period:

A question oral or written must not:

- (a) be ironical, rhetorical, offensive, or contain epithet, innuendo, satire, or ridicule.

Now I'm prepared to reconsider, but if the hon. leader persists in asking the question in the way he already proposed, I must decline to recognize him.

MR. NOTLEY: Mr. Speaker, on the point of order. I wonder if I could ask you to reconsider your initial judgment with respect to Citation 357. It certainly does say that the question must not be "ironical, rhetorical, offensive, or contain epithet, innuendo, satire, or ridicule". I acknowledge that. However, I suggest that the use of the term "manhunt" — or perhaps more appropriately these days, "person-hunt" — is in itself not ironical, rhetorical, or offensive. That kind of comment is frequently made in courts of law. It is made with respect to the activities of our law enforcement agencies at all times. I would have to say, Mr. Speaker, that it does not in itself, at least on the face of it, meet the objections in *Beauchesne*, Citation 357. If the Speaker feels that the hon. Leader of the Opposition has offended Citation 357 in the process of asking the question, so be it. But the use of the word "manhunt" itself does not, in my judgment, constitute an offence against Citation 357.

MR. SPEAKER: Well, I'm sure the dictionary will indicate that the word "manhunt" has a meaning which in the ordinary operation within an administration would not be used. I don't propose to enter into debate with the hon. member. The hon. Leader of the Opposition has quite properly, under Standing Order 12(2), asked me for my reasons. I've given my reasons. It's my understanding, as the hon. Member for Spirit River-Fairview has said, that this word is used in the criminal world, or in the realm of law enforcement — I've forgotten exactly the expression he used — and it's most commonly used in connection with the hunt for a criminal. Now, I don't know what person the hon. Leader of the Opposition is referring to as the object or victim of a manhunt, and I don't want to know. However, the expression is not allowable in the question period. If the hon. leader wishes to reconsider and ask the question appropriately and directly, I'd be most happy. But if he does not, then my duty is not to recognize him.

## Northland School Division

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the Minister of Education who, I see, is not in his place today. Who is the Acting Minister of Education? I see it's the hon. Minister of Advanced Education and Manpower. I would ask the minister to outline to the Assembly the reasons why the report on the Northland School Division of July 1975, which contained all the major reasons that the minister announced with respect to the dismissal of the board the other day, was not acted

upon sooner, in view of the fact that the government received it in July 1975.

MR. HORSMAN: Mr. Speaker, I'll take that question as notice on behalf of my colleague the Minister of Education.

#### **Alcoholism and Drug Abuse Programs**

DR. PAPROSKI: Mr. Speaker, a question to the chairman of the Alcoholism and Drug Abuse Commission in the province of Alberta, the hon. Member for Lethbridge West. Recognizing that alcoholism continues to be a major public health problem, I wonder if the hon. member would indicate to the House what special programs have been initiated during this festive season in view of the fact that alcoholic consumption is on an increase at that time.

MR. GOGO: Mr. Speaker, I very much appreciate the question from the Member for Edmonton Kingsway. As we all know, as a physician he's directly involved with some of the serious results of that. AADAC is planning a variety of campaigns for the festive season, including radio and television advertising, to create an awareness in people that if they're going to drive, not to drink, or if they're going to drink, not to drive.

DR. PAPROSKI: One supplementary, Mr. Speaker. Would the member clarify whether any special target groups have been chosen as a result of this increased quantity of printed material and television programs.

MR. GOGO: Yes, Mr. Speaker. Obviously, the target groups would be those who are legally allowed to drink, although we know there is some exception to that. I should point out that with its mandate, AADAC covers the province of Alberta in six regions. Each region in the province will be conducting programs at a regional level. For example, Lethbridge has an open house and invites several hundred people. In the north, Fort McMurray has another program. Of particular importance — something that has been very helpful, and maybe ministers of the Crown would like to participate — is that all the mail that goes out of AADAC in the next five weeks will have a postage mark on it through the postage meter: If You Drink, Don't Drive. We have found that has been very helpful. In view of the fact that the government of Alberta is obviously the largest user of the postal system, I would urge members of the cabinet to do the same thing through their departments.

Finally, Mr. Speaker, recognizing that the young people of Alberta listen to rock groups on certain radio stations, we've done an analysis, and we're going to do selective radio advertising on those stations young people listen to in addition to newspaper and some selective television advertising.

#### **ORDERS OF THE DAY**

##### **head: WRITTEN QUESTIONS**

148. Mr. Notley asked the government the following question:

- (1) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial

government through its tax system in 1974?

- (2) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1975?
- (3) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1976?
- (4) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1977?
- (5) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1978?
- (6) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1979?
- (7) What was the value, by category, of all special tax exemptions, deductions, credits, exclusions, preferential rates, and deferrals offered by the provincial government through its tax system in 1980?

##### **head: MOTIONS FOR RETURNS**

MR. HORSMAN: Mr. Speaker, in respect of Motion for a Return 147, I move that that motion for a return stand and retain its place on the Order Paper.

[Motion carried]

149. On behalf of Mr. Sindlinger, Mr. R. Speaker moved that an order of the Assembly do issue for a return showing:

- (1) What were the Alberta heritage trust fund securities that were sold over the last three years at a net loss of \$60,282,000.
- (2) What was the date of purchase and the date of sale of each of these securities.
- (3) What was the purchase and sale price of each of these securities.
- (4) What was the interest rate and maturity date of each of these securities.
- (5) If other securities were acquired as a specific replacement for those sold, what were they, when were they purchased, what is their interest rate, when do they mature, and what price was paid for each.

MR. HYNDMAN: Mr. Speaker, on this motion, this is exactly the same topic, in wording and everything, as we saw last week on the Order Paper. In one form or another, the issue has been responded to three or four times in this Assembly, in committees, and in question period in the full House. Again, I think it's important to summarize the answers. The answers bear repeating because they're the same as I've indicated before, and they make sense. They very simply can be restated in five facts. These are facts and not matters of opinion.

As I indicated with respect to this item last week, it's not appropriate for the Assembly to endorse this motion. To summarize the five reasons: firstly, the independent Auditor General of Alberta has confirmed that not a single dollar is missing from the heritage fund and every single dime has been accounted for. Secondly, the inde-

pendent Auditor General has found no evidence of fraud or collusion. Thirdly, the key document we're looking at with respect to all these matters, the annual report of the Auditor General of the province, confirms that all previous significant concerns he had with respect to any and all internal controls or systems have been satisfied. Fourthly, the performance of every significant investment portfolio, public or private, is measured by looking at the overall yield or rate of return of the portfolio, and not by day to day transactions. Nowhere is that latter method used. Fifthly, as we all know, every managed bond portfolio of which the heritage fund has one, whether public or private, has undergone sales losses in the volatile markets of the recent two years, but the heritage fund has made net gains or profits of over \$1.5 billion with respect to the transactions.

I urge that the motion be defeated.

DR. BUCK: Mr. Speaker, I beg leave to adjourn the debate on Motion 149.

[Motion carried]

MR. SPEAKER: By leave of the Assembly, I wonder if I might revert for a moment to Introduction of Special Guests.

HON. MEMBERS: Agreed.

#### head: INTRODUCTION OF SPECIAL GUESTS

MR. SPEAKER: I'm pleased to see in the Speaker's gallery a visitor whom we missed some time ago on the occasion of the granting of the annual Commonwealth Parliamentary Association bursaries. Mr. Richard Starke was delayed in coming to Edmonton because of airplane trouble. His mother accepted the bursary on his behalf. As hon. members may recall, he was chosen for this bursary by all his colleagues in the Tuxis Parliament. On behalf of the Assembly, I'd like to offer him our congratulations and our welcome this afternoon. I ask that he stand so that welcome might be given more emphatically.

MR. R. SPEAKER: Mr. Speaker, on a point of order. Again, I'd like to refer to section 12(2) of our rules of the Assembly, and get a citation from the hon. Speaker with regard to the distribution of the material belonging to the hon. Member for Spirit River-Fairview that I find on my desk today. I understand there has been no consent by the member to present that material to the Legislature, nor has it been entered as part of the debate up to this point in time, nor is the point of privilege under question an item on the agenda of this Assembly. I'd be rather interested in knowing why the Speaker has taken the privilege, I would say, in presenting this to all members of the Assembly, and under what citation and what authority that is done. Mr. Speaker, I feel it is rather a breach of trust between the hon. member and the Speaker. I think clarification of that matter is very necessary.

MR. SPEAKER: As I mentioned, the hon. leader is perfectly entitled to ask for reasons. In the first place, I should say that this point has been decided. It was discussed at some length. I believe I observed at the time and I was reminded that I'm a servant of the Assembly. As a servant of the Assembly I was given, not for the purpose of private or confidential advice, material to

support a point of privilege. It's now previous history that I declined to hear that point of privilege or have it dealt with extensively. I identified it briefly because it involved conflicting statements, but I didn't allow it because, as hon. members know, the person against whom it was directed was not here. It is simply basic fairness, and this is part of my reason for the distribution, that you don't accuse a person in his or her absence. I realize that in this situation that charge of breach of privilege, which is what every point of breach of privilege is, because they don't happen like the rain falling, they are done by somebody — that charge is ...

DR. BUCK: What charge? I've never heard one, Mr. Speaker.

MR. SPEAKER: I said the breach of privilege involved a contradictory statement. [interjection] If the hon. member wants to look at the material, he'll have it. In any event, if he wishes to speak, would he kindly wait until I resume my Chair.

In any case, the reason for distributing the material is again basic fairness, the same reason for which the hon. Member for Spirit River-Fairview was not prevented from expressing his views in the House. The expression of those views was merely postponed, and when the person involved in the breach of privilege comes to the Assembly — which I expect will be soon — the hon. Member for Spirit River-Fairview will have a full and ample opportunity to raise the point he wanted to raise when the target of the allegation was not here.

In pursuit of this fairness, which is a parliamentary tradition and amply borne out by the most respected parliamentary authority in the Commonwealth, namely Sir Erskine May, this material, which came into my possession as the servant of the Assembly, and hence into the possession of the Assembly — because whatever I get in that way belongs to the Assembly, unless it's a matter of confidential advice — has been distributed for that purpose and, as I say, in keeping with the parliamentary tradition of fairness, so that when we deal with the question, everyone will be on the same footing more or less as the member who is going to raise the point of privilege.

If hon. members wish to refer to Standing Order 2, it says:

In all contingencies unprovided for, the question will be decided by Mr. Speaker and, in making his ruling, Mr. Speaker shall base his decision on the usages and precedents of this Assembly and on parliamentary tradition.

Now as hon. members well know, our *Standing Orders* do not directly deal with making an accusation against a member who is absent. Therefore, I must have recourse to the parliamentary tradition of fairness, which also applies in our courts. In reply to the request of the hon. Leader of the Opposition for my reasons, those are my reasons. It seems to me that is adequate.

The hon. member may disagree with me. I respect his disagreement and his right to disagree, but on the basis of the best precedents, it would seem that a Speaker who would not prevent an accusation from being made against an absent member would be derelict in his duty.

I'm fully aware that the *Standing Orders* give the person who raises a point of privilege the right to deal with it.

MR. R. SPEAKER: That's not the subject.

MR. SPEAKER: I'm just saying I realize that is a right, but surely it is subject to the rules of fairness, and a mere postponement of that right is not a denial. It simply avoids having the matter dealt with twice.

MR. R. SPEAKER: Mr. Speaker, on the point of order. I don't want to sound unreasonable in what I'm saying or asking, and I didn't want to sound like the role of the Speaker in the Legislative Assembly when I would have called you to order because I felt you were speaking off subject. I didn't know how to do that. I'd been rather reprimanded for standing up while you're standing up, Mr. Speaker, and didn't want to do that today.

But the topic of my discussion with regard to the point of order was precedent, Mr. Speaker. I refer to section 2 of the rules you have cited to me "on the usages and precedents of this Assembly and on parliamentary tradition." I don't know of any precedents or tradition where on a point of privilege, information given by a member of the Assembly, supposedly in confidence in my understanding, or given even in the care of — let's take away the word "confidence" — in the care of the Speaker of the Legislature, without the consent of the member... That's a very important phrase in my statement: "without the consent of the member". In this case, I understand there was no consent. From your ruling I would like to know — and according to 12(2) I have that right — what were the precedents and on what parliamentary tradition. I haven't got those in your answer, Mr. Speaker. I would appreciate the Speaker either taking that under consideration, giving me the answer on another occasion, or if that information is at the Speaker's fingertips at the moment, I would appreciate it.

[Two members rose]

MR. SPEAKER: Order please. I believe I saw the hon. minister first.

MR. KOZIAK: Mr. Speaker, I don't know that it's useful to replough old ground, but I think we're doing that. The hon. Leader of the Opposition raises the concept of confidentiality.

MR. R. SPEAKER: No, I withdrew that.

MR. KOZIAK: Well, if he withdraws that, he has no point of order. There is a concept of confidentiality or there isn't. There cannot be a middle ground. If he now withdraws that point, there is no need for me to rise in my place to respond. But I assume he hasn't, because he's still speaking on the question of the distribution of documents. Mr. Speaker, it was made quite clear that without the one-hour notice, as required by Standing Order 14(2), no breach of privilege can be raised in this Assembly unless it's raised immediately upon the happening of the event. In this particular case, the question of privilege was not raised immediately upon the happening of the event. It was raised subsequently and must follow the rules. Those rules require the one-hour notice. That is what is involved in this particular issue.

Mr. Speaker, in the same sense, if there is a civil action, the plaintiff must file in the courthouse a statement of claim or an originating notice of motion. That doesn't mean that at the moment the filing takes place the matter is heard. Normally there is a period of time after the filing

of the documentation, which brings the proceedings into play, for the defence to file a statement of defence, and the hearing would take place at some subsequent date when it's so determined in accordance with the practices of the court in which the claim is brought.

In the same fashion, Mr. Speaker, the process was commenced within the rules, within Standing Order 14(2), and at the moment that took place, the process left the confidentiality of the hon. member's mind and became part of the process of the House; not part of the process of the hon. member, not part of the process of the Speaker, but part of the process of the House. As such...

MR. R. SPEAKER: It never got on the floor.

MR. KOZIAK: I'm sorry, Mr. Speaker. The one-hour notice is the condition that determines whether or not it can get on the floor. The one-hour notice is the first requirement. That one-hour notice was met and, at the moment it was met, the process was in place.

MR. NOTLEY: Mr. Speaker, in addressing a few comments on the point of order, let me go right back to the very first citation you cited in our *Standing Orders*:

In all contingencies unprovided for, the question will be decided by Mr. Speaker and, in making his ruling.

Mr. Speaker shall base his decision on the usages and precedents of this Assembly and on parliamentary tradition.

Well, Mr. Speaker, there's no question about parliamentary tradition with respect to a question of privilege. Parliamentary tradition is simply this: there is no question of privilege until such time as it is formally raised in this Legislative Assembly. As a matter of fact, there is no question of privilege, as one looks at the rules, Mr. Speaker, or reads *Beauchesne* or *Erskine May*, until such time as the Speaker decides there is a *prima facie* case of privilege.

Now, Mr. Speaker, I want to deal with the question of parliamentary tradition because you, sir, have based your decision to have this material run off at some expense and distributed to members of the Assembly on parliamentary tradition, despite the fact that on Tuesday last there was not an opportunity for me to raise and address the matter in the normal way in this Assembly. Hon. members, including yourself, sir, have suggested that because the nature of an accusation was in a complaint, it was only fair that the "accused" be present. I think the hon. Speaker even referred to a prisoner in the dock. Well, Mr. Speaker, let us look at parliamentary tradition, because you must be guided by it. What is the evidence of other assemblies? I think it's appropriate that we examine the evidence of other assemblies, particularly for members of this House, because yesterday in the debate we had the alleged procedural expert of the Tory party, the Minister of Education...

MR. SPEAKER: Order please. I don't know how much parliamentary tradition the hon. member has in his hand, but he well knows that it is not appropriate to reflect on past debates of the Assembly, especially when they have been concluded by a vote. So let's get back to the point.

MR. NOTLEY: All right, Mr. Speaker. I certainly won't make any reference to the hon. Minister of Education and research he might well consider. But I want to refer to the issue at hand; that is, the question of raising a

matter of privilege when the other individual is not present, and the procedure followed as a consequence including distribution of documents. Since you, sir, have based your explanation today on parliamentary tradition, I ask you then to advise the Assembly on what basis the October 27, 1977, question of privilege put by the hon. Member for Oshawa-Whitby to the hon. Prime Minister, Mr. Pierre Elliott Trudeau, was allowed to be put before the matter was held over so the Prime Minister could be present.

MR. SPEAKER: Order please. Are we dealing now with the distribution of documents given to the Assembly through me or with something that has already been decided, appealed, and decided again?

MR. NOTLEY: Mr. Speaker, we're dealing with a course of procedure in which it is proper for you to distribute documents.

MR. SPEAKER: Fair enough. Let's deal with that.

MR. NOTLEY: The second evidence I cite: on May 27, 1975, the Rt. Hon. John G. Diefenbaker raised a question of privilege related to the Prime Minister of Canada, who was not present. The matter was put and held over until the Prime Minister was present, but it was put before any further action was taken. Now any further action taken means distributing material sent to the Speaker. Here's an example involving a close personal friend, I'm sure, of many members opposite, the hon. "Member for Calgary Centre, Mr. Harvie Andre. We could go on and on with so many examples of the procedure in other assemblies or parliaments. One could spend the rest of the afternoon citing examples. But the issue ...

MR. SPEAKER: I hesitate to interrupt. But in order that the thing may be dealt with expeditiously, possibly the hon. Member for Spirit River-Fairview would be willing to enlighten the House with a few dozen of these multitudinous precedents.

MR. NOTLEY: If the hon. Speaker would like me to table this information, I'd be very pleased to do so.

Mr. Speaker, the point that has to be made very clearly is with respect to your ruling that you are guided by the precedents of this Assembly and parliamentary tradition. It is very clear what parliamentary tradition is: there really isn't a question of privilege until it is raised in the House by a member. There has to be a proponent. You are not the proponent. You are not raising a question of privilege. You are a servant of the Legislature. The problem we all have to deal with is that before information given to you as background material can be distributed, the literal and formal process followed in this House has to be consistent with other jurisdictions.

When one looks at the record — whether it's the case of Mr. Diefenbaker in 1975, Mr. Broadbent in 1977, Mr. Andre in 1978, or other examples I could cite — the fact is, Mr. Speaker, that in my judgment you are making another error by having this material distributed. I think that's regrettable in the extreme.

DR. BUCK: Just briefly, Mr. Speaker, I would like one or two rulings from you, if I may receive them.

MR. SPEAKER: Could we make one ruling at a time. We're now dealing with one involving the distribution of documents.

DR. BUCK: Yes, Mr. Speaker, that's right. But that also has a spillover into what ruling was made by you previously.

MR. SPEAKER: Which one was that? I'm sorry to interrupt the hon. member, but just to be practical and expeditious about the discussion, would he kindly inform the Assembly which ruling he's now talking about.

DR. BUCK: Mr. Speaker, I'll be speaking on the distribution of documents given to you. Before we were working on these present rules, as I remember, a member did not have to give one hour's notice. Now, Mr. Speaker, with the decision you have rendered on the Member for Spirit River-Fairview, where evidence was given to you that other members of the Assembly did not see, I would like your interpretation. If I were the person giving you that information, does that mean we have now set the precedent that all that material would be distributed to all members of the Assembly? That is the first question.

The second question: after the ruling on the distribution of material, will we be following section 119 of *Beauchesne* where:

Speakers' rulings, once given, belong to the House which ... must accept them without appeal or debate.

Mr. Speaker, the second question I'm asking directly: will the Speaker now be in a position in every instance to make a ruling on a point of privilege as was done yesterday? Is that the procedure we're going to be following in this House from now on? Is that the precedent? Because under rule 119, I understand we will be doing that. You, sir, with all respect, will now be deciding in your wisdom if it comes before the Assembly or not.

MR. SPEAKER: I'm sorry, I'm unable to identify the two points made by the hon. member. Could he just state them briefly and succinctly. Let's deal with the first and then with the second.

DR. BUCK: Okay, Mr. Speaker. Let us set the scenario. An hon. member wishes to raise a point of privilege. He has documentation that he gives to you. As of this instant, will you be distributing that information to all members of the Assembly before the hon. member moves it in the Assembly? That is the first question I would like answered.

MR. SPEAKER: Certainly I'm going to deal with each case as it arises. But if I get notice of a point of privilege about to be raised, get material in support of it, and am able to arrange to have that point of privilege dealt with on one occasion instead of several, especially if it deals with an absent member being charged, whether he be from any place in the province, Spirit River-Fairview, if you will ...

MR. NOTLEY: On a point of order, if I may.

MR. SPEAKER: I hope I haven't said anything out of order.

MR. NOTLEY: Yes, you certainly have.

MR. SPEAKER: Well, the hon. member will have an opportunity to say that.

Let's just look at the simple fairness and essentials of this thing. A member gives me notice that he intends to say that something done by another member — and it doesn't matter whether or not he's prominent. The rights of prominent members of the Assembly, if that's not a bad expression, are just as great and no greater than those of unprominent members, if that be a proper [expression]. But they are not less; that's what I'm saying. In any case, if I'm able to see that the question can be dealt with with all members on an equal footing and fully informed, then I'm going to do whatever I can to achieve that. If the information has been given to me in confidence and it's expressly stated, then it may well be that the point of privilege may fail for lack of supporting information.

As I say, you have to assess each situation on its merits. But let's just look at the simple essentials of this. The hon. Member for Spirit River-Fairview has already said that after he had mentioned this information, which presumably was not known to other members, to the Assembly, he would then table it. That would mean this: the hon. member, having the information ... [interjections]

The hon. member has agreed that the Assembly should see the information. He proposes to table it. But he doesn't want to table it until he has had a chance to present it a first time, so that later on it's presented again. Then if the hon. members are on an equal and fair footing, he gets another chance to present it, the first one being, you might say, a free run in the absence of the person accused.

MR. R. SPEAKER: That's part of the system, free speech.

MR. SPEAKER: Free speech is part of the system. A person's good name is part of the system. Fairness to all members of the Assembly is part of the system. To play poker with information so that you can play one of the cards before anybody else gets a chance to know what's in it is not part of the fairness of the system.

DR. BUCK: Change the rules.

MR. SPEAKER: The rules of fairness have never been abrogated as far as I know, certainly not intentionally in regard to any parliament of the Westminster system.

MR. NOTLEY: Mr. Speaker, on a point of order. I really think some of your comments ... I really think you might review *Hansard* ...

MR. SPEAKER: Order please. I must say that we've gone into the question very fully. As hon. members know and as I have mentioned previously, the Speaker is not supposed to debate — albeit I acknowledge it must look that way — but he is asked to give reasons. It's impossible to give reasons without appearing to debate. I have given my reasons ...

SOME HON. MEMBERS: Citations.

MR. SPEAKER: I gave my reasons. They're in Standing Order 2, "parliamentary tradition". I must respectfully say that I doubt very much the existence of multitudinous precedents against allowing all members to be equally

informed about a matter that is going to be debated or discussed in the House. In any event, I've given my reasons, and I must respectfully say the matter is closed.

CLERK: Motions other than Government Motions.

MR. SPEAKER: Just before we proceed with that. I wonder if the Assembly would agree that the hon. Minister of Government Services might revert to Introduction of Special Guests.

HON. MEMBERS: Agreed.

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

MR. McCRAE: Thank you very much, Mr. Speaker. On looking up at the members gallery I note a very special and distinguished visitor, a man with a very distinguished military record, a man with a very distinguished aldermanic record, and a man with a very distinguished record with a number of service organizations in Calgary. His record of achievement was recently recognized by the federal government with the designation of the Order of Canada award. He is my good friend and associate, Mr. Mark Tennant. Mark, would you stand and be recognized by the House.

#### head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

217. Moved by Mr. Mandeville:

Be it resolved that this Assembly urge the government to accept responsibility to provide additional protection for Albertans from intolerably high interest rates so that Albertans can continue to afford housing, farmers can continue to farm, and businessmen can continue to conduct business.

[Adjourned debate May 21: Mr. Notley]

MR. CRAWFORD: Mr. Speaker, in order that there'll be no misunderstanding, the hon. Member for Spirit River-Fairview indicated to me that he had to leave early today and sent me a note. I didn't retain the note, but it seemed to me it said he had no objection if the matter was simply passed over as far as he was concerned. The Clerk couldn't know that. In light of that, I think the process now simply takes its course.

MR. SPEAKER: I'm sorry. I was distracted. I was trying to give the hon. Government House Leader another copy of the memo from the hon. Member for Spirit River-Fairview, who had the courtesy to provide me with a copy as well. I'm not sure I caught the purport of what the hon. minister was saying.

MR. CRAWFORD: Mr. Speaker, I thought I might be the only one with the information. My memory of it was — I didn't retain a copy — that when 217 came up, the next speaker should simply go ahead. I assume that would be the case.

MR. KOWALSKI: Mr. Speaker, it's been several days now since we had an opportunity to take a look at Motion 217. Prior to beginning my remarks this after-

noon, I would like to go over the motion:

Be it resolved that this Assembly urge the government to accept responsibility to provide additional protection for Albertans from intolerably high interest rates so that Albertans can continue to afford housing, farmers can continue to farm, and businessmen can continue to conduct business.

One of the fascinating things about looking at the Canadian economy in 1981, as at any year in the past, is that one has to appreciate that the prime responsibility in this country for determination of interest rates rests with one level of government and one level alone: the federal government. Of course in recent months each week on a Thursday a prime rate of interest is determined by an agency of that government, the Bank of Canada, and is widely publicized throughout the country as being the governing rate of interest for the following seven days. In that context, it's of interest to me that if a federal government chose, through this one particular agency, to encourage those who administer that agency on the basis of generalized situations existing in Canada and North America, they in fact are in a position to influence that interest rate.

Yesterday and in previous days we had a number of discussions in this House about the Canadian economy. It's amazing to me that the shared responsibility for interest in this country — it should be suggested by some members of the House that this particular government is in a position to correct an interest rate that applies to Canada as a whole. It seems to me it would be very difficult at this time for this Assembly to suggest that the Canadian interest rate should be 10 per cent and see it actually implemented or, for that matter, suggest that it be 12 per cent and see it implemented on a national basis.

In remarks I gave on a previous motion on Tuesday of this week, I indicated that I was really quite concerned that the very time we're talking about interest rates in this country — and heaven knows, every Canadian citizen is concerned and very, very perturbed, and in fact hurt by a high level of interest rates. But as one individual member in the province of Alberta, it's amazing to me how we have seen the federal government turn its back on that bread and butter issue that concerns so many Canadians. In fact just recently it took some \$8 billion to \$10 billion out of the Canadian economy with the issuance of the 1981 Canada savings bond at a guaranteed interest rate of 19.5 per cent for a minimum 12-month period. If any level of government goes to the public market to borrow money, it in fact is competing with its citizens in whatever environment that government is in. In this case, we have the most powerful agency in Canada, the government of Canada, going to a public market, taking out between \$8 billion and \$10 billion, and prepared to provide an interest rate of 19.5 per cent guaranteed for one year. It's hardly likely that any of us can look through at least the next 12 months and see any reduction in the prime interest rate that currently exists in this country. It's remarkable to me that this same government, which has the responsibility to move and see the Canadian economy come to a recoverable position, is competing with the citizens of this country on the one market. It's very, very horrendous.

As well, I think all hon. members appreciate the position taken by the province of Alberta in recent months in indicating that one of the alternatives in looking at the future is to move away from a tracking of an American interest rate in North America and have that tracking apply to Canada as such. There are advantages, because

the government of Canada can review its interest rate every week, in looking at a longer term review and coming up with a new kind of policy that would see Canadian interest rates follow a Canadian mechanism rather than simply track an American mechanism. Surely if all members take a look at the European situation, where you have a number of freely independent countries, all with their own basic economic institutions, environments, policies, and procedures, they do not track one another in their basic interest rates. At any given time, if one were to hop in a plane today and fly, first of all, to the United Kingdom and then to the Netherlands, Luxembourg, Belgium, West Germany, Switzerland, Italy, Austria, and make the Royal tour, he or she would find that the interest rate in any one of those countries is different and, rather remarkably, that the difference in the interest rate between two countries might be as high as 10, 12, or 13 points. Certainly, if you take a look at the prime interest rate currently being utilized in Austria, as compared to the interest rate the citizens of Italy have to follow, the difference is very, very substantial indeed.

Mr. Speaker, basically my point is this: Canada does not have to track American interest rates. We all recognize that if Canada were to work away from that policy and adopt a new policy, some negative short-term impacts might accrue to the Canadian economy. An example would be this. If Canada were to adopt its own policy and say, let's find what the rate of inflation is and add three points to it — if the rate of inflation is 11 per cent and we add three points, we say that 14 per cent then becomes the prime interest rate for the people of Canada.

If the American interest rate continues to be higher than that, of course we will have a short-term negative impact. In all likelihood, investment dollars would flow from this country to the United States. Perhaps a second negative would also occur, and that would be that the value of the Canadian dollar compared to the American dollar might drop from its current level of approximately 84.5 cents. But we have to recognize those two negatives when we recognize the positive aspects that also accrue to that. It's time that serious economists on a Canadian national level start looking at the longer term implications of allowing a Canadian interest rate to immediately track the American interest rate, and at the positive environments that might occur to the Canadian economic environment if in fact a new policy were to be adopted in that regard.

Mr. Speaker, with respect to the interest rate, I don't know how the government of Alberta can accept responsibility for what is happening on a national level. That's simply impossible. There's no way in the world that the people of Alberta can be in a position to accept that responsibility. This government is not responsible for setting that rate. Secondly, I don't know if the hon. member who moved the motion is suggesting that the government of Alberta provide a nation-wide subsidy to assist Canadians in meeting these high interest rates being created by a national government that has forsaken its interest in the people. The province has done a number of things to negate the impact of high interest rates upon its own citizens. We can take a look at a number of areas in which this government has already moved with respect to this and be very, very proud.

This afternoon I'd like to make a few brief comments about one area of direction, agriculture in this province, and look at a number of programs that have been initiated by policy of government and, secondly, by implementation through the Agricultural Development Corpo-

ration. If you look at the funds that might be available, unfortunately it is almost impossible to assist every individual, every request, in any particular sector of this province. As always, this government has indicated a certain degree of compassion by helping those who perhaps do need some help. By policy, a number of developments have occurred in the agricultural sector in recent years that should not be forgotten. I simply want to highlight some of them today.

[Mr. Appleby in the Chair]

If we take a look at the economic situation concerned with agriculture in this province over the last year, just recently we were fortunate to have been issued the 1980-81 annual report of the Agricultural Development Corporation. If you take a look at some of the highlights that occurred over the last fiscal year, the contribution to agriculture in this province is rather important and significant. It's important for all members to appreciate, to recognize once again, that a considerable number of agricultural producers in this province have been assisted in the fiscal year just mentioned. I'd like to point out that one of the very remarkable things that occurred in the recent federal budget was Canada-wide assistance to the Farm Credit Corporation of \$50 million more than the amount of money that was to be available to Canadian agriculture. Not too many weeks ago, Mr. Whelan, the federal Minister of Agriculture, indicated that he would resign if there was no help forthcoming to Canada-wide agriculture. Of course, agricultural producers across the country cheered wildly at the thought that Mr. Whelan would resign. To his self-preservation, his colleague the federal finance minister announced there would be some funds available to assist Canada-wide agriculture. In a great amount of publicity, we found that in fact the Farm Credit Corporation lending limits would be increased by the total sum of \$50 million. If you recognize that the average loan to agriculture is in the neighborhood of \$200,000, take out a pencil, cross out the zeros, and finally come up with a figure, you realize that with a \$200,000 Canada-wide loan, if we're lucky maybe 250 farm-producing families in this country can be helped by the new approaches of the federal budget on a Canadian national level.

On the same day the federal Minister of Agriculture made his remarkable statement that he would resign if there was no help forthcoming for Canadian agriculture, the interest rate followed by the Farm Credit Corporation moved from 12 or 13 per cent to 16.75 per cent. They jumped it, and that minister certainly was in a position to have done something about it. At almost the same time as he told all Canadians he would resign if no help was forthcoming, he saw a rise in interest rates through his own agency, the federal Department of Agriculture. I'm very, very skeptical as to the honesty of that type of approach.

Fortunately, the amount of help provided in Alberta to our agricultural producers is rather large, on a comparative scale, to what's being offered by the federal government. Fortunately for Alberta producers, that is available. On an overview, one might argue that this type of financial assistance should come primarily from a federal government and really a provincial government should not be in a position to provide massive amounts of assistance, subsidies, or reduced interest rates to producers in one particular sector because what provinces should not do in this country is use their treasuries to see one

province compete with another province. There are some negatives in the long term if that is to be continued. If you look at the long-term ability of Alberta in many ways to provide low-cost money to some of its citizens, Alberta literally could blow a number of agricultural producers off the map in this country if it chose to use the weight of its Treasury in competition with the weight of the treasuries of other provinces. We simply can't do that. That would be un-Canadian, I think. In the long term, it would be unfortunate for the preservation of the Canadian unity that all of us treasure.

If we take a look at some of the approaches made by the agricultural corporation in Alberta over the 12 months from April 1, 1980, to March 31, 1981, some of the highlights need to be mentioned. I want to mention them, in recognition of the fact of this recent "major" announcement by the federal government of assisting 250 farmers Canada-wide.

Mr. Speaker, it has to be noted that if you take a look at the total financial assistance in the form of direct loans and loan guarantees in that fiscal year I just mentioned, the amount was some \$261.2 million. It was distributed in a number of ways. On April 1, 1980, we announced that a beginning farmers program was going to be available to young farmers in the province of Alberta. The basic figures are that 1,007 beginning farmer loans were made available in that fiscal year, for young producers in this province, at a total cost of \$145.3 million.

There were some real advantages about moving in that direction. All members will recall that in terms of assisting young beginning farmers in this program, the basic philosophy of the Agricultural Development Corporation of being a lender of last resort was modified so as to allow loans to be made out with less of an emphasis on lender of last resort.

It's also my understanding that, in addition to helping these 1,007 young producers, in one year the program saw a remarkable reduction in the average age of producing farmers in this province. If my figures are correct, in that one year the average age of a farmer in this province was reduced by nearly 10 years because of this new initiation in this new program. While previous to 1980 the average age of a producing farmer in the province was some 55 years, by the early part of 1981 that age level had been reduced to some 45 years. If we are looking at agriculture in the long term, we must look at seeing new people prepared to take the risk, spend the long hours, take the weather and market fluctuations, and commit themselves to agriculture 24 hours a day, 365 days a year.

Mr. Speaker, if we look at the assistance provided by the Agricultural Development Corporation in the fiscal year I've already mentioned, it's also of interest that in addition to the 1,007 beginning farmer loans made, 292 direct farm loans were made at a total cost of \$34.1 million. Twenty-five direct agribusiness loans were made, for a total cost of \$3.8 million. Forty-one specific guaranteed farm loans were made, for \$2.4 million, and 12 specific guaranteed agribusiness loans were made, for a total of \$6.1 million. In addition to that, 5,405 Alberta farm development loans, amounting to some \$69.5 million, were accomplished and accommodated. That's a remarkable record for one agency of one provincial government located in the country of Canada.

It has to be repeated that no funds are available province-wide to help each individual in this province. But there is a very, very massive commitment through the Agricultural Development Corporation to attempt to help as many of our farmers from the total brunt of



economic policies fostered upon them by a federal government which, unfortunately, all too often seems to have forgotten that there is a part of Canada known as the west, where agriculture is pretty important, has been very important in the past, and will continue to be very important in the future because of some of the policies of this provincial government.

We have not accepted a responsibility for the high interest rates, but we have accepted a responsibility for attempting to mitigate some of that impact on some of our citizens in this province. I don't know what will happen to the interest rate situation in the future. But one thing is clear: it would be very, very difficult for anybody to stand up on this particular day in November 1981 and very enthusiastically or positively say that if we look six months in the future we can see a reduction of the Canadian interest rate to 11 per cent, 10 per cent, or 12 per cent. It's impossible for me to look into the future and suggest that anything will happen other than that we will see a rise in the prime interest rate in this country.

I don't know how anybody who looks at the economic situation, who sees a federal government at a total operating and capital expenditure level in this fiscal year, the one just announced by the hon. Mr. MacEachen — a budget that will rise to some \$74.5 billion, with a deficit of over \$10 billion. That's not an accumulated deficit; that's a deficit for the fiscal year we're in. In addition, that same government, which will spend \$10.5 billion more than it will have funds coming in, will have to go again to the public market — the same market to which individuals across this country have to go to get consumer loans for a whole variety of situations — and will have to compete with the citizens of this country in the one market. There is no way that the Canadian interest rate can be reduced in that scenario. That's darned unfortunate.

[Mr. Purdy in the Chair]

So I repeat once again, not to be redundant, that there is need for a new policy with respect to Canadian interest rates. That policy has to be a major commitment of the federal government, and it must be directed for the short term, the medium term, and the long term. There is no reason why Canadian interest rates have to track American interest rates. The federal government can reduce its own expenditure level by choice. It can do that in a variety of ways, and they've been well explained by members of this Assembly in days past, and certainly by Alberta MPs who are currently represented in the federal House of Commons.

Secondly, by cutting and curbing its own expenditure level, the federal government can also recognize that we could be hurt in the short term. But in the longer term, it would work to the benefit of Canada if we created our own interest rate policy and if we followed a mechanism of, one, determining what the rate of inflation is and, two, determining — well, let's try a subjective mechanism of adding several points to whatever that prime interest rate is and say, this is a made-in-Canada interest rate. We can move on that particular item, and we can do that in the short term. Sure, there'll be some howls, some panic, and some people saying Canadian dollars will flow out of the country and the Canadian dollar will actually reduce itself in value compared to the American dollar. While there is a risk factor to that, there are also longer term benefits because it will allow Canadian exports to improve. Our products will be more competitive on a

worldwide basis.

Mr. Speaker, last of all, the federal government has to recognize that the prime concern, the priority issue, in the country of Canada is an economic one. We have just concluded a remarkable debate on the constitution. Fortunately, a positive consensus was reached in this country, and now we can look to the future with a new constitution behind us. In the last several months, we concluded an energy agreement. Fortunately, for the benefit of all Canadians and all Albertans, there is going to be stability in that particular area, at least through to the end of 1986.

On that basis of consensus, positive improvement, it's now time for the federal government to say, let's now address ourselves to the economic situation of this country; let's find new directions which will be of benefit to the millions of men, women, and children in this country, and which basically will have one objective in mind: to improve the amount of disposable income each Canadian citizen will have at the end of every month. The objective should not be to rob Canadians of increasing amounts of dollars. In consultation with all provincial governments, the federal government must come out and dramatically say: look, we believe in Canadians, and we believe Canadians should be making their own economic decisions to a greater degree than they are now; we do not believe government should make an increasing number of economic decisions on behalf of citizens, and basically the only way we can do that is to allow each and every Canadian, at the end of each and every month, to see the amount of his disposable income increased. That can only occur through reducing and slashing taxes and federal government expenditures in a number of areas.

I think Canadians believe they are competent people; I think Canadians know they are competent people. Canadians want to make their own economic decisions. They don't want to look forever at big brother government that says, don't worry about it; just give us 2 or 3 percentage points more, and let us tax you more for gas and fuel: let us do all those things for you because at the end of the year we'll create all these positive programs, reshuffle the money, make you become more and more dependent on big brother government, and in essence you'll be happier because you'll have fewer worries.

We need to establish confidence in Canada in the next very short term, basically to let Canadians know that in 1990 or 2000 people in this country are responsible; Canadians can make decisions for themselves, and they want to see less government. Mr. Speaker, it's unfortunate that we're really only two years away from that famous year made public in the late 1940s by an English writer named George Orwell. Of course, that year is 1984. I fear that unless there is change at the national level, unfortunately we will become increasingly close to the concepts outlined in that book when we finally arrive at the year 1984. That would be wrong, remarkably wrong. It would be economically disturbing. Unfortunately, Canada would go down the road of state socialism on which the world's foremost democracy, the United Kingdom, has now found itself.

Thank you.

MR. GOGO: Mr. Speaker, I too would like to comment with regard to this motion by the Member for Bow Valley. I've known the member for six years, and I've known him to be a very sincere man who always has the interests of his constituents at heart. He may just view my comments today as being somewhat at opposite ends to

how I perceive him in his role as a member of the Assembly looking after the interests of those constituents.

Looking at the Order Paper, I have some difficulty recognizing that the Member for Spirit River-Fairview, a man who we all know is in many ways a champion of the Albertan, is not here today. I really don't understand why, because I generally look forward with interest to the comments he makes on how this government should conduct its affairs. I listened with interest to the Member for Barrhead spelling out in great detail what the government of Canada should be doing to Canada. I have enough trouble doing my job here, so I really am not in a position to attempt to tell the government of Canada what it should or shouldn't do. Like others, I participate by electing people to go there to do that job.

I'd like to restrict my comments today to those areas that involve my area of responsibility as a member of this Assembly, and speak to the motion from the point of view of the words:

... the government to accept responsibility to provide additional protection for Albertans from intolerably high interest rates so that Albertans can continue to afford housing, farmers can continue to farm, and businessmen can continue to conduct business.

The operative words are "accept responsibility". That's the part I have difficulty with, Mr. Speaker. When things don't go right, it's so often the case to point the finger and blame somebody else, as does the Member for Spirit River-Fairview, all the time ignoring that every time he points his finger at anybody, three fingers are pointed back at him. I think that's important to remember when we start getting on our high horses and blaming government at any level for not carrying out its responsibility.

It's like a fellow named Joe — I think I heard this before from somebody in this House — who had 11 children and was having great difficulty. He said to himself: on two jobs a day I can't possibly manage any more than 11 children; if anything happens and we have another one, I'll just have to end it all. Sure enough, he was greeted one evening by the news from his wife that indeed there was going to be good news in about eight months. He was somewhat distraught, went in the woods, stood on a box, threw a rope over the tree branch, and put it around his head. He was just about to step off the box when a little voice in his head said, Joe, are you hanging the right man? I've often wondered about that, because for some reason here we are today thinking we as citizens of this great province of Alberta can turn around and accept no responsibility for this situation we are in.

What is the responsibility of government? I always understood that the responsibility of government was to function economically in those areas where it was not economically feasible, possible, or practicable for the private sector to function. I am referring to such matters as building highways, defending the country, perhaps mailing letters: those kinds of things.

More important, what is the responsibility of the citizen? Surely we as members of the Assembly are wise enough to know that you can't take more out of a system than you put in. Yet day after day, we attempt to do that very thing. The Member for Barrhead talked about the great role ADC is doing. I think they've now lent \$0.75 billion. Surely it's recognized that young farmers cannot be expected to get into farming without borrowing money. That's a given. The Alberta Opportunity Company: no question that each year we in this House subsidize the interest rate by \$5 million, \$6 million, \$7 million,

or \$8 million, to allow businessmen who have the expertise, knowledge, and courage to risk their life savings to go into a venture. I think we take a lot of chances. I question whether we should be going much further, though.

What's the responsibility of the consumer? No one wants to talk about him or her. There seems to be that psychology that if I don't have it today, it's going to be higher tomorrow; so I'd better buy it today. No question about whether I'm able to buy it today. I know most members of this Assembly have spouses. Many of them shop at Sears, Eaton's, or Woodwards. I've been married for 30 years, and for 31 years my wife has had a Sears credit card on the layaway plan — pay so much every month. I wonder how many members of this Assembly today are aware that those good people — and they are good people — charge 28.4 per cent interest. That means that of every \$100 you buy, \$28.40 is interest. Do I hear anybody complaining to Sears or Eaton's? By gosh, you just raise things one little bit around government, and you get marches on the Legislature, people writing letters, and all kinds of people, including members of this Assembly, saying that government should accept responsibility. Well, I have some trouble with that, and I hope other members do as well.

Let's just look at the facts, and I don't want to confuse anybody with them. When I mention these things, I'm sure I'm going to hear from somebody saying, don't confuse me with the facts, Gogo. A million people in Alberta are working. How tough can times get? We have almost two million cars. We've been psyched up not to use rapid transit, not to use public facilities. We're all psyched up that we have to use a car. Fair enough. We have 0.25 million recreational trailers; one of every four working Albertans owns a recreational trailer. We must have it tough. I just hope to gosh they all don't get on the road at the same time. We'll hear people say, they bought them on time when rates weren't so high. Now that rates are high we should blame Ottawa or somebody, or get this Assembly all riled up to find subsidies to bail these people out. I have great trouble with that.

I don't know whether it can be proven; I've asked somebody to find out. But I've been told that a major chain store — I don't have to mention its name — sells 65 per cent of all the groceries in this province, plus anti-freeze, cement blocks, and all those other things that have suddenly become part of food. People cry about the cost of food because they come out of that store, known as a food store, with everything else in there. The third largest item they sell in that place is pet food. You and I know they only sell it because they make a buck, because people buy it.

We complain about the cost of living. Those who have the nerve to listen to CBC — it's not the most popular thing around here to admit that. With grain prices, cattle prices, and so on, there's no argument that the producers of the province are not getting a fair deal. On the other hand, prices were never higher. People still have too much month left at the end of their money. They have to blame somebody because they won't blame themselves. They look to government and say, will you bail me out?

Is housing expensive? I hear it day after day. House prices in Alberta are three to five times annual income. I bought my first house in 1960, and it was three times annual income. So, are house prices high today? I'll get to affordability and interest rates in a moment. Yet are they really high? How often do we blame people in Alberta, whoever people in Alberta are, for excessive house prices.

Members of this Assembly are well aware that a variety of regulations and endorsement of policies allows Edmonton to have 125 planners when Houston, Texas, has three to develop plans that end up costing horrendous amounts of money, which translated has to end up coming out of the consumer's pocket. I think we're well aware of that. Based on that, we know rents where I come from are going to have to double in the next 18 months or two years; no question. Some builders have now become like farmers. They're tired of going broke, so they're not building anymore. That's reality.

I simply suggest that Albertans — our constituents, our consumers — are going to have to be prepared to set some priorities in life. Not long ago, I read a study by the senate of the U of A that said 80 per cent of all rural Alberta children didn't have adequate dental care. I thought, aren't they stupid out there. Then I talked to my own dentist in Lethbridge, Alberta. Sixty-five per cent of Lethbridge children need dental care. Why? Is it because there aren't enough dentists? No. By the time people get to the end of what they want to spend their money on, if their kids don't have a toothache, the teeth don't get looked at. Surely, a lot of this has to do with our responsibilities as parents and as citizens, to accept some responsibility for our destiny.

You all know that I have great difficulty accepting in principle the fact that we're going to bail anybody out in the form of a subsidy, particularly if it's a rancher who owns \$2 million worth of land, using the argument that we want the industry to survive. I've said before that I'm more than prepared to assist there, on the same basis as everything else. If there's personal hardship, show me your income tax return and I will consider it the same as I do for housing programs, this program, that program. Okay, that's not proper; it's not agreed to. Fine. But that's how I feel. One of the few liberties you have under this dome, under The Legislative Assembly Act, is that you can't be arrested for saying what you think. I think that's important.

Mr. Speaker, I'd like to comment a bit on interest rates. I don't profess to be an expert, but time after time I hear people saying the federal government should do this or that. By the end of this debate, I hope I'll be better informed in that area after I make these comments. I understand that by statute, the government of Canada expends 85 per cent of its revenue on mandatory programs. The Member for Barrhead had a good point: cut taxes. That's a great idea. Where do we start? The \$4 billion unemployment insurance: is that a good place to start? Or would you rather take the \$4.5 billion old age pension? You're over 50 yourself; you mean the child allowance. You'd like that to go. Where does the government of Canada cut? I don't know, but I think that's their job.

Why are they following the policy they are, which I personally believe is wrong. But does it hurt to try to understand why? On the one hand we have people — he's not in the House now, but his federal counterpart even talks about exchange controls. I was in Sri Lanka this year when interest rates in Canada were 13 per cent. In Sri Lanka they were 28 per cent. There had to be a fly in the ointment. What was it? There was no fly in the ointment except this: once you put your money in that country you couldn't get it out.

It's fair to talk about keeping low interest rates in Canada by putting in exchange controls, thereby limiting the export of capital. What happens? Surely there are enough examples around to tell us what happens when

you put in exchange controls. If you don't think an 84-cent dollar is serious, try a 54-cent dollar. The value of your dollar is always relative to something; it's relative to the confidence other countries have. People should think very carefully about that kind of talk. Further to that argument, obviously you are going to get: yes, but the lower dollar makes what you have to sell so much more attractive to other people outside your country. That's true. But what do we sell outside our country? The Ontario manufacturing sector is now at capacity. There's a 20-cent bargain for outside Canada purchasers to buy our stuff, and it's no good now because it's not cheap enough. With the exception of one or two in southeastern Ontario where the reality has set in — they've said, I'll pay \$100,000 for a combine but no more; even if you put five wheels on it, I won't pay more.

Here in Canada, we have no option unless we're prepared to take a realistic reduction, by probably 25 per cent, on the demands we put on our municipal, provincial and federal governments. In other words, we either increase productivity, put more into the system than we take out, or we take less out. I don't have the latest figures here, but I understand we still import over 400,000 barrels of oil a day in this country to keep the machines going. We set policies in Alberta. We say that after next year, Edmonton can't use natural gas for power; you have to use coal. That has become a policy in this province. Yet I'm sure all members know that 95 per cent of the generation of electricity for the whole of the maritimes is oil. What kind of oil? Fifty dollar oil and forty-four dollar oil. It doesn't need any great imagination to recognize that if you're going to pay that kind of money to bring the stuff in, you're going to have to sell something just as expensive going out of the country or you have the balance of payments deficit the hon. Member for Barrhead was talking about.

I don't pretend to know the answer, but I'll say this: if we as leaders in the province, as good citizens, begin to practise within our own lives some of those very things that will increase our standard of living without further outlays, i.e. don't be afraid to get our hands dirty by having a garden to raise a few vegetables — that used to be an honorable thing to do. Twenty-five years ago, an honorable person was a square shooter. Today, he's an oddball. That's how times have changed.

The rate of savings in Canada is now 10 per cent. Why is it 10 per cent when Japan is 22 per cent and West Germany is 15 per cent? Obviously, it's because people have lost confidence. Why should I save today? It's not going to be worth anything tomorrow. That's a psychological thing, an attitudinal thing. How do we change it? I think we have to change it by example. I can't think of a better example or a better place to start than in the province of Alberta, by encouraging the citizens of Alberta to be responsible for themselves, to exercise some degree of financial and fiscal responsibility, and to impart that kind of financial responsibility to their children. Although we number only about 10 per cent of Canada's people, surely we've been the focal point for some time now in Canada. Many people are looking at us. If we set that example for other Canadians to follow, for other Canadians not to have those high expectations, in the long run all Canada, certainly all Alberta, will be better off.

Thanks very much.

MR. ZAOZIRNY: Mr. Speaker, initially I had looked forward with no hesitation to joining this debate this

afternoon, but after having heard the very eloquent words of the Member for Lethbridge West I must admit I now approach it with some degree of trepidation. His remarks were volcanic, inspirational and, in very large measure, accurate when he spoke of the need for individual responsibility and emphasized the importance of trying to reduce the expectations of citizens if we are really going to win the battle against inflation.

[Mr. Appleby in the Chair]

I won't seek to embellish the particular tack the hon. member took, because I don't think I could improve upon it in any manner whatsoever. But I want to say a few words, perhaps of a somewhat more general nature, about Motion No. 217. I think the motion is clearly appropriate to be in front of persons involved in government office, because it's an issue very much in the minds of our constituents. The fact is that regardless of where the fault lies, if we can single out one body that's responsible, very often the constituents don't look at it in such a narrow way but simply recognize that there is a problem and, rightly or wrongly, look to government to provide some measures to ameliorate the situation or eliminate the problem if possible.

As we all recognize, interest rates have declined rather dramatically in the last number of weeks. I think the extent to which they have dropped comes as a surprise to many so-called experts in the field as well as the man on the street. It's been a very welcome surprise, but I wouldn't for a moment suggest that the situation is no longer of concern. When I'm not in this Assembly or trying to carry out my responsibilities in my constituency as a member of the Legislative Assembly, I earn a little extra income as a real estate lawyer in the city of Calgary. I think I should pass on to members of the Assembly the perspective I get from my clients endeavoring to buy homes. Rather than being faced, as they were a couple of months ago, with rates in the 22 to 25 per cent range for a first mortgage, there has been a dramatic decline. Today, I think you could find a first mortgage at a rate of approximately 17 to 17.25 per cent. What's really quite frightening is that by comparison to what we've been faced with in the last number of months, it looks pretty good. However, the fact is that the high level of interest rates, as they affect mortgages and the accessibility of mortgages, is a real impediment to Albertans being able to purchase a home and, in that regard, is entirely unsatisfactory.

The hon. Member for Lethbridge West spoke at some length on the question of responsibility and who should accept it. I think he properly addressed that question inasmuch as the resolution urges this government to accept that responsibility. The point was made most effectively that if there is responsibility — and surely there is on a disease as serious and as set into our society as inflation — a high measure of responsibility has to be accepted by us as individual citizens of this province and country. The fact is that we do like to enjoy the good life, if you will, and have all the amenities that are viewed nowadays more as necessities than luxuries. But, as I said, I don't intend to dwell on that aspect of the issue.

I want to talk more in the context of the various levels of government. While it's fine to say there is a question of individual responsibility, the reality is that we as members of government, whether at the municipal, provincial, or federal level, are expected to and must respond to the various serious situations our constituents are confronted

with and, undeniably, high interest rates are uppermost in many citizens' minds at this time.

As mentioned by the Member for Barrhead, interest rates in this country are in no way set by a provincial government. In fact, they are set each Thursday by the Bank of Canada. In a sense, there is an involvement on the part of the government of Canada. I note with some curiosity the fact that as American interest rates were rising some months ago, there was rather a lock-step approach on the part of the Bank of Canada to quickly meet those increases. Particularly troubling right now is that as those rates decline, we hear that the Bank of Canada is intervening to slow down the level of the drop of interest rates. It's suggested that to the extent that is happening, it's to give more moderation, if you will, to the zigs and zags of interest rates. However, I just fail to understand why the anxiety is there to do it while they're on the way down but not while they're on the way up.

Be that as it may, there can be no argument about the fact that if we're looking at government and talking about governmental responsibility for interest rates, we must look at the government in Ottawa because that is a prime area of their jurisdiction. The federal government would suggest that to the extent we have high and unacceptable interest rates, they are compelled to accept those rates because of the level of interest rates in our neighbor to the south, the United States. Related to that, it's argued by federal government officials that high interest rates are crucial in the fight to beat inflation and knock it to the ground. It's been said before in this House, and I would endorse the position, that positive economic measures can be taken by the federal government to reduce that lock-step link with the United States insofar as interest rates are concerned. The outstanding example of that is of course in the export field as it relates to natural gas. It was mentioned earlier that our manufacturing sector, particularly in central Canada, is operating at full capacity, which in a sense is a rather sad testimony to the state of mechanization of this country and the modernization of our industry. But that certainly isn't the case insofar as the natural gas field is concerned.

In the last number of months, there have been some very disconcerting federal pronouncements from the National Energy Board in terms of expanded export for natural gas, the so-called deliverability test, which has been criticized on many occasions and justifiably so. It's certainly the hope of this hon. member that at the next hearings of the National Energy Board, we're going to see an awakening, if you will. I sense from some recent media attention that that may occur — I underline "may" — and that we may see expansion of the export of natural gas, which we have in tremendous surplus in this province, in British Columbia, and to a lesser extent in other areas of the country. There's no denying that if this country were able to improve its balance of trade — and that's one area where we could do it very easily and with absolutely no danger to domestic supply — it would give us some assistance in trying to free ourselves from the financial constraints imposed through interest rates of the United States. But I'm not going to try to suggest to hon. members that we as a country can operate as an island unto ourselves. It's not true. I believe we are impacted by international affairs.

That brings me to my perspective of the real problem with interest rates in Canada. As much as anything else, it really relates to the significant deterioration in the level of confidence in the Canadian economy by the international community. Perhaps the best evidence of that reality is

the fact that in the last number of months Canadian interest rates have not only been marching lock-step with American rates, they have been higher. With the devalued dollar, Canadians have been expected to accept interest rates that are markedly higher than those paid by citizens of the United States. They've been higher because the government, through the Bank of Canada, has been concerned that if such were not the case, the value of the Canadian dollar would deteriorate even further.

I suppose the real question is: do high interest rates work in fighting the battle against inflation? For some time, it has been the opinion of this hon. member that the strategy is of some dubious value. The strategy is suspect. In fact, there have been some recent pronouncements by a no less distinguished body than the Economic Council of Canada that the high level of interest rates have not curbed demand nearly to the extent anticipated, and that the net effect of high interest rates, and these are the words of the Economic Council of Canada

might be, in the medium run, rather than to reduce inflation, to increase inflation.

That's a very, very troubling statement to be made by so distinguished a body. But when one examines the statement, one recognizes some considerable truth in it. The fact of the matter is that in certain instances, individual Canadians are unable to avoid borrowing money. The small business man who needs a line of credit to carry on his day to day business activities, order his stock for inventory, and operate with an accounts, receivable arrangement, which is the norm in the business community, simply must have access to borrowed moneys to carry on his affairs. The individual home-owner has no choice about whether to borrow money to buy a home. Three or five years ago, they may have taken out a mortgage loan at a time when interest rates were markedly lower, and done so on what was viewed at that time as a very prudent basis, having carefully examined the extent of their financial commitments and, on the basis of a small "c" conservative evaluation of their financial expectations over the next years, gone out and borrowed that money. They recognized it wouldn't be paid off in five years but that a mortgage is normally a loan for 20 or 25 years and that they would be faced with renewal of that loan five years down the road, but never dreaming — and I don't think we could realistically expect them to have imagined that rates would skyrocket the way they have.

The same is true of the small business man who made what was in fact a very prudent business decision, established a moderate line of credit with the lending institution, and never dreamed that interest rates would hit the ceiling as they have in the last number of months. But having made those decisions, in a sense they are now irreversible. I suppose they're not irreversible if the home-owner wants to surrender their home, sell it, and move to rented accommodation if they can find it in the province of Alberta, particularly in either Calgary or Edmonton. I suppose it's not an irreversible decision for the small business man if he wants to close the doors and look for employment with another company. But I don't think it's reasonable to expect Canadians in either situation to adopt those courses of action. The same is true of the farmer.

So to some extent, I must take modest issue with some statements by the hon. Member for Lethbridge West, because I think government has a responsibility to try to assist Albertans who have made reasonable business decisions. The fact is that this government has done a great deal in that regard. I intend to deal with that in a moment

if time permits. I also mention that it's not only such a body as the Economic Council of Canada which has expressed real reservations about the merits of fighting inflation through high interest rates, but one of the key spokesmen for businessmen in Canada, Mr. John Bullock, president of the Canadian Federation of Independent Business, has expressed the very same kind of reservation. I submit to hon. members that the argument advanced by both organizations and by many other Canadians warrants some real consideration.

In the face of all these excruciating interest rates — whether they be mortgage loans, commercial loans, or consumer credit loans which are already in place and fluctuate with changing interest rates — there had been some hope on the part of this hon. member that the federal budget recently brought down would provide for the country the kind of economic direction that I believe has been lacking for the last period of time. It was hoped the budget would be cognizant of the situation of individual Canadians and would adopt measures designed to stimulate the economy, to get the economy going, to deal with the high level of unemployment in other areas of this country.

So it was with a great sense of disappointment that I heard the budget and read statements about the contents of that budget. Recently, I had the opportunity to obtain a review of the impact of the federal budget by one of the major financial houses that operates in this country. It's fair to say that the norm in the industry is to speak in somewhat measured tones about a budget. But when I examined the contents, I was somewhat taken aback, but not surprised, by the kinds of statements that were made about that budget, its implications, and the implications for interest rates in this country; statements like: "The Department of Finance . . . has dealt a stinging blow to . . . the economy". I should give hon. members the benefit of the authorship of this report; it was the Pitfield MacKay Ross organization. Talking about an economic overview of the country:

In a single stroke the Minister has delivered a body blow to both the economy and the capital markets. The Minister seriously proposes a major reduction . . . in the midst of a full-scale recession. The attempt will definitely fail and almost certainly on a grand scale.

Now those are pretty stinging words from a very established financial institution.

The fact of the matter is that as much as we were all hoping the budget would provide some direction and some real indication that the federal government has finally come to grips with the economic realities that face this country, it's simply not there. It would appear that Canada is going to remain adrift nationally in terms of economic policy. To the extent that interest rates have ameliorated in recent months, it's only because that has happened in the United States. If there is a significant increase in the United States' rates in the months to come, we're going to be faced with exactly the same kind of situation in Canada that we faced in the last couple of months.

I suggested earlier that like it or not, we in Alberta are affected by the implications of the federal policy or lack of federal policy. I'm not going to take time to recite the various kinds of programs already in place by this government, in particular in the areas of housing, farming, and small business, because I think they're reasonably well known. But it is fair to say that there has been a massive involvement of government and, in the minds of

some, much too great an involvement; for example, in the area of housing, where we have some \$1.7 billion from the heritage fund dedicated to housing programs for Albertans.

I simply suggest to hon. members that in the past there has been a great deal of action by the government to assist those looking for affordable housing, to assist farmers, from the beginning farmers programs through the Agricultural Development Corporation and the many programs that operate through that regime, and to some extent the businessman. But I want to be candid with the House and suggest that if we don't see some dramatic movement away from that budget proposal, if we don't see some real economic direction provided on a national level by the federal government, like it or not the pressures on this government in the housing field and in all other aspects of the economic life of this province are going to increase.

Those pressures are going to be there, perhaps more on this provincial government than others because of the perception in the minds of many Albertans that we are a province and a government of infinite wealth. We as members of this Assembly recognize that isn't so, that there are extremely finite limits to the amount of financial resources we have available to us. I think we all have to do a better job of communicating to our individual constituents the financial situation we face as a government and as a province. The fact of the matter is that while the Heritage Savings Trust Fund is inevitably a focal point of attention and the first area where the finger is pointed when people are looking for more money from government, we in this Assembly know that the bulk of those funds in the heritage fund are committed. As I mentioned a moment ago, we have some \$1.7 billion in the housing field. We have commitments in Kananaskis park and Fish Creek park, and the list goes on and on to the extent that there really is about \$1.5 billion of readily accessible dollars, those being invested in more short-term securities.

I suggest to hon. members that with the tremendous economic uncertainty our country faces in light of the financial programs, such as they are, of the federal government, the interest rate situation is unlikely to depart as a major concern of Albertans. We're going to have to remain sensitive to those areas where we particularly need to provide assistance to Albertans. We're going to have to give Albertans a clear understanding of our financial constraints and make it clear that while the Heritage Savings Trust Fund is a tremendous opportunity for this province in the long term, it isn't a pot of gold we can be constantly dipping into to alleviate any short-term difficulties. The fact of the matter is that those dollars are largely committed to very worth-while projects and investment opportunities for Albertans, and that there is a limit to the amount that government can take on and remain financially responsible.

I close by saying that I remain confident this government will continue to be sensitive to the needs of Albertans, that we will be responsive in those situations where assistance must be given. I remain confident that we will continue to work hard at communicating to Albertans exactly what is being done by this government on behalf of all Albertans.

Thank you very much, Mr. Speaker.

MR. BORSTAD: Mr. Speaker, I'm pleased to join in Motion 217 this afternoon, although I have only about three minutes left. I don't know whether you will let me

run out my time or whether I should sit down now.

Even with the boom this province has been going through in the last few years, high interest rates have had an effect on many of our small business men, farmers, and home-owners alike. We have just seen a federal budget come down that, in my view, did not seem to put out much assistance in reducing those interest rates. As we know, the federal government can use its initiatives to develop programs to stimulate the economy and to affect interest rates. So it seems to me that this motion should be directed more at the federal government than the provincial government.

I'm going to take a different tack from the Member for Lethbridge West. He figured we should be tracking U.S. interest rates, but in my view we shouldn't. It seems to me we should be moving away from tracking those rates. If this were done, I believe we could see businessmen gain confidence again. We would find investments being made in housing and many other areas of our economy. I think we should promote more gas sales to the U.S. If we were not tracking those interest rates, I think that would have some effect. It would also reduce our balance of payments and affect our economy considerably.

[Mr. Speaker in the Chair]

For anyone to say this province has not been doing anything is totally wrong. We only have to look at what the government has done in the last couple of years in housing alone. The provincial government's involvement has increased to a record amount, I think unprecedented in any country in the world today. The provincial government totally assisted and financed some 6,000 housing starts in 1979, some 15,000 in 1980, and 18,000 in 1981. I believe this government has stepped into the breach to assist our citizens through the many programs developed to assist home-owners, farmers, and businessmen. Also, this government has been calling for a federal/provincial conference on the economy where our economic problems could be discussed and programs could be developed to stimulate the economy, thereby affecting interest rates and reducing inflation. But no, we see the federal government does not seem to be interested in its people who are losing their homes, farmers who are caught in the squeeze of high interest rates, inflation, and input costs, and businessmen who are losing their businesses and going into bankruptcy almost daily.

I only have to look at my constituency to see the financial difficulties many people are in, the number of bankruptcies that have taken place in the last six months, partly because of the oil slowdown but mostly because of high interest rates. Plumbing shops, trucking companies, you name it: they're all in problems brought on by the economic policies of our federal government. There's no business confidence in this country right now. I believe it's at the lowest it has been since the '30s.

At a recent conference I was at, I discussed interest rates with members from other countries, and their interest rates are 8 to 11 per cent as a high. So tracking the U.S. interest rates does not make much sense to me when other countries can use lower interest rates and establish their own rates. Sure we ...

MR. SPEAKER: I regret interrupting the hon. member, but pursuant to *Standing Orders* we are now obliged to proceed to another order of business. I believe that puts us into discussion of private members' public bills.

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

**Bill 201**

**The Freedom of Information Act**

[Adjourned debate April 9: Dr. Paproski]

DR. PAPROSKI: Mr. Speaker, hon. members of the Assembly will remember that on April 9, 1981, this Bill came up for debate for the first time. I want to make it clear that I am sure no one in this Assembly, government or opposition members, would oppose increased information flow on an ongoing basis to our citizens. I think this goes without saying. I'm sure we would also all agree that we want to improve that flow of information on an ongoing basis and do everything possible to improve that information flow. But at this time, I can't see the need for Bill 201, brought in by the hon. Member for Clover Bar. I'll show there is ample opportunity for citizens and opposition members to gain the information they require, and they should know that. In my opinion, Bill 201, the so-called Freedom of Information Act, is a misnomer because it will inhibit the flow of information. As a matter of fact, I believe it will stifle the flow of information to our citizens.

Mr. Speaker, you and hon. members will recall that I indicated I was concerned that the hon. member who brought in this Bill was referring to British Columbia, the federal government, and municipal governments. Because I've responded every time he has brought in a Bill similar to this, I remember that on previous occasions he brought in the United States government, Sweden, and so forth. I suggested then, and I suggest now, that that is not relevant to the province of Alberta. We in Alberta have our rules. We have our ways of doing things, and I think they're satisfactory. Citizens will express that from time to time or every time there is an election.

Mr. Speaker, the hon. member brought no specific example of where information is not available. He indicated he couldn't get information on PWA when he knew very well that PWA is at arm's length from the government. Every shareholder can get that information as he sees fit, but not government, unless he's suggesting, representing a free enterprise party, that we should interfere with free enterprise. I don't think he meant that. He also knows, and I indicated then, that MLAs have not been denied information except when the information is of a confidential nature, in courts, or the rules and laws of the province of Alberta do not allow it. I know that the hon. opposition members, and specifically the opposition member who brought in this Bill, have difficulty with that. But there are rules and laws in this province and in this Legislature, and those have to be abided with. If they'd like to change them, I suggest they make that attempt.

So The Freedom of Information Act, the statement of freedom of information, or the right of public information concerning public business are very laudable titles and very important, as I said before. Who would object to that? Nobody here objects to that. But our actions are not behind closed doors, unless the hon. opposition member indicates to us that these policies that MLAs plan, think about, articulate, and discuss on the streets, in apartments, and at conferences, should be disclosed in advance of a policy, program, or legislation actually

being brought here. I'm suggesting that's what he's after; in other words, information before it's formulated into policies, programs, or legislation. I think that would be wrong and confusing.

Mr. Speaker, the classical example is of course the Heritage Savings Trust Fund. That fund of some \$9 billion, a very important fund for all Albertans for the security of future generations, was widely debated prior to the 1975 election, after two years, and then again in 1979, when the citizens of Alberta knew that that was a major issue in both those elections. We know the results of that election, and that's why we are here.

Mr. Speaker, to make reference to that fund, because it's such a topical item — we've been debating it in the Legislature for the past three or four weeks regarding capital projects. We know that fund has annual reports and quarterly reports. There is a special select committee of the Legislature that deals with the Heritage Saving Trust Fund, and opposition members are on it. The hon. Member for Calgary Buffalo has raised questions over and over again in that special select committee, which is held in public. Ministers are called to react and respond to the questions which are dissecting the programs. They're asking questions and probing. Their queries are always made in public and accountable in a public way. What happens after that? They come back to the session, to this committee if you wish, to the Legislative Assembly, to this Chamber, and again the opposition members and all members are entitled to ask questions in a very, very specific and detailed way, and again in the public domain.

When I was here in the evening a few weeks ago, listening to some of the questions, the hon. Member for Calgary Buffalo — I'm sorry he is not here; I know he has a good reason for being away because we all do from time to time — asked the question on AOSTRA. He made the Minister of Energy and Natural Resources repeat every research program that was funded when in fact the citizens out there know in a humble way that that is public information. He made that minister read everything and really waste the time of this House when in fact he could have gotten that information by going directly to the department and requesting it. I think that's a shame and a sham. Is that what we're after?

MR. SPEAKER: Order please. I suggest that the hon. member concentrate and confine his remarks to the topic under discussion.

DR. PAPROSKI: Mr. Speaker, I respect that in a most sincere way, but I feel very strongly that that is the essence of the topic when we have a Bill indicating that more freedom of information must flow to the citizens, and when I see over and over again that that information is flowing. I was trying to demonstrate that.

In either case, I'll swing around and say this: the classical example for the past three or four weeks that information is flowing is via the Heritage Savings Trust Fund capital projects, where detailed information is provided by the minister after repetitive questions on a detailed basis. Mr. Speaker, I suggest that is freedom of information at a high.

Again we have to cite the example that they wanted to know what happened to a so-called \$60 million loss. It's an example where freedom of information is available. The question was well put. There's no criticism of the question. Even if it's repetitive, minutiae, and insignificant, I respect that. But the independent Auditor General

has stated and confirmed that no dollars were lost. An independent auditor: the citizens out there understand that that is almost the same as a judge. It's an independent auditor respected by all citizens and the opposition members. The independent auditor also stated that no fraud or collusion was evident. Again, he stated that. The annual report by the independent auditor stated that all previous concerns only were corrected. This should nullify any question or concern. Every significant performance of the portfolio looks at an overall yield rather than a yield on a day to day basis. There was a \$60 million loss as a result of securities, as the hon. member would sell tomorrow if it were at a low interest rate, and convert it to a higher interest rate yielding security. Every citizen knows that. They did that, and the total gain was some \$1.5 billion. So you lose some and you gain more. The total yield is the important thing.

Mr. Speaker, I don't believe the citizens of Alberta will be duped or fooled by that kind of questioning, although on first blush if you repeat \$60 million loss and not look at the whole portfolio, I suggest that some citizens may be fooled.

What are we saying here? In addition to that Heritage Savings Trust Fund, we have ample opportunity to question hon. members here in budget debate. Budget expenditures last spring: estimate after estimate, dollar after dollar was questioned by the opposition and government members to ensure that those dollars were properly and appropriately spent. So I'm saying that there are many examples of free flow of information, not hidden, and available throughout.

Mr. Speaker, I also indicated previously that in this House we have motions for returns, which are debatable motions. Ninety-five per cent of them are agreed on. We debate them, and the information flows completely. The minister is then obliged to give the information. In previous years, I've seen carts full of information come forward showing the hon. questioner that the information is available. We have Public Accounts, chaired by an opposition member. Public Accounts is chaired by an opposition member, and the committee is made up of both opposition and government members. Ministers are called for past years' performances, and queried on a small amount, if necessary. We have MLAs available on a day to day basis to all citizens to ask those questions. I challenge any MLA here to say that he does not receive the information required within the law. I underline "within the law", because from time to time opposition members say we must change the law. That's a different story. If you want to change the rules of the proceedings, I suggest that we have to try that. If they fail, we have to do it within those proceedings.

We have the question period, Mr. Speaker, which is written and oral. I hope the public noticed today and in the past two or three days that the opposition members don't even have any questions. What are they trying to prove? Are they suggesting that the business of government is all over with? I think it's a shame. Walter, it's a shame. I don't care how you read it.

MR. SPEAKER: Order please. Possibly the hon. member could lapse into ordinary parliamentary language.

DR. PAPROSKI: Mr. Speaker, I have difficulty at times, because I've known the hon. Member for Clover Bar so well for so many years. We practised together in Fort Saskatchewan. Respectfully, I'll continue that way. He'll understand that.

We have *Hansard*, we have television, and we have our MLAs working on a day to day basis. Let me zero in on the very guts — excuse me, Mr. Speaker, that's not parliamentary — the very essence of the Bill. Is that okay. Mr. Speaker?

MR. SPEAKER: There's nothing wrong with "guts".

DR. PAPROSKI: Good. The very so-called guts of the Bill, because I have difficulty finding that. In my opinion, in a most serious way this Bill has oversights, inconsistencies, and ambiguities that are just beyond me. The reason I'm saying "beyond me" is that the hon. member, in a most respectful way, has repeatedly brought in such a Bill, at least five times. Is that correct, hon. member? Approximately five times. And here we have a Bill that's going to stifle and inhibit the flow of information. I'm amazed that he hasn't used his research dollars to bring in something a little better.

Let me take Section 5. I hope the hon. member is reading. It says:

A request for access to a record . . . shall provide sufficient detail to enable an experienced employee of [a government] institution to identify the record.

Mr. Speaker, what is "sufficient detail"? Is it a title? How much detail? It doesn't say. Immediate confusion, Mr. Speaker. These boards, commissions, and agencies are used to responding, but they can't respond if they don't give a proper title, or is a title enough? What if it's a similar title to another Bill or other information? What happens when the requester does not provide sufficient detail himself? In fact, in this Act there is no requirement whatsoever on the institution head to respond. Confused, and what a shame, Mr. Speaker. The poor person will not get the information. It's also worth noting that the institution, meaning the government institution, is under no obligation to forward a request that has been directed to the wrong institution. In other words, if I made a mistake and requested the information, he has no obligation. He can say, I haven't got it, period. That's the end of it. Well, Mr. Speaker, our citizens deserve a little more than that.

Let's go to Section 9(2). It provides that when any government institution refuses access, the institution is not required to indicate whether a record requested under this Act exists. Mr. Speaker, I have difficulty with that. The requester, meaning the person who requests the information, having been denied access, will have no idea whether that record exists. Again, I think it's a sham.

Mr. Speaker, another point, and I'm not covering all of them. Believe me, I can go section by section and find loopholes. The hon. member should bow his head. Regarding the appeal to the court, it introduces an erosion of our ministerial and constitutional responsibility. We just went through that whole process of constitutional debate. He's saying the courts should make the decision — I respect the courts; maybe they could make the decision in this case — but worse than that, the individual doesn't appear to have any appeal. Not being a lawyer, and I know the hon. member has been in the Legislature longer than I have, the appeal process is a natural course. Not only does the individual who's requesting the information not have an appeal, but the government doesn't have an appeal if they can't possibly see how they could give it.

Mr. Speaker, there we have some of the examples. I'm sure other hon. members will give more examples. Section 1:



... this Act is to extend the present laws of Alberta to provide a right of access to information ... That's what it says, Mr. Speaker. Well, we have the question period, parliamentary committees, accountability to the executive ministers, the Public Accounts Committee, motions for returns, the Ombudsman, MLAs, and so forth.

Section 4(1) says:

The designated Minister shall cause to be published, on a periodic basis [reports].

Mr. Speaker, government organization reports are updated yearly. An inventory of agencies and boards is now filed. Annual reports are filed. I really don't know what he wants.

This Act has done nothing fresh, nothing new. If it did, I'd feel a little better about it. I might want to make some positive comments. Except for the title, which we already have in the province of Alberta, in my opinion it's a Bill which, if it became an Act, would not guarantee a flow of information but would add another layer of bureaucracy, a bad layer — not that bureaucracy is bad, but a bad layer with respect to this Bill. The cost and the stifling is just not worth it. It adds nothing. What they have to do is check the Act, the regulations, watch their step. They cannot write anything down because it might become public. It removes flexibility. It forces citizens into the court. Worse than that, Mr. Speaker, it removes the responsibility of elected representatives and government members. Having served since 1971, I for one will not abrogate that responsibility lightly.

Mr. Speaker, by and large the public service has done a good job. If we brought in this kind of Act, their ideas and suggestions would be stifled. They'd be fearful to write anything done or file it away because that might be a record that might go into the public domain before it became a policy or a program. I would be very nervous about that.

In concluding, the hon. Member for Clover Bar is to be congratulated for his information Bill by way of a title. I know his desire is sincere, but he has missed the target, Mr. Speaker. I think we should re-examine and update our guidelines on an ongoing basis. We should assure that the method for citizens to obtain information is clearer. Maybe it's not clear enough. If it's not clear enough, we should zero in on that and correct those deficiencies, maybe with a central office of information for the province of Alberta and have responsible people respond in every case if that information is not provided, and why it's not. We should clearly restate our position to the public, and make sure they understand why that information is not available.

No one can force feed the opposition to get the information. We've provided dollars; they have their own initiative. They have research staff and dollars over and above any government member on this side, Mr. Speaker. We know that, and they know that. I suggest that citizens don't want to be force fed public information. What is required is an ongoing appraisal of the situation, careful thought that communication by government, the media, citizens at large, is direct via MLAs, reports, public hearings, and visits to our government offices, that when legislation is brought forward it is preambled, or a public statement is made of what it is all about. Via *Hansard*, radio, TV, cabinet tours, schools, and our libraries, we are doing that. We want to maintain an informed public via these channels and the media. We should continue to augment these avenues, not merely by a restrictive or threatening Act where courts are involved, but by existing

avenues for information. I sincerely believe that information is democracy. Thank you.

MR. PAYNE: Mr. Speaker, at the outset of my speech on a similar Bill a year ago, I expressed difficulty regarding the freedom of information Bill's *deja vu* element. On that occasion, as there appears to be on this occasion, there was a certain repetitive quality to the arguments advanced for and against this type of legislation. Despite that *deja vu* element, I still welcome yet another opportunity to comment on what I regard as the serious defects of this Bill.

At the outset, once again I would like to clearly indicate my unequivocal support and belief in the general principle of the public's right to government information. It goes without saying that such a right is fundamental to the democratic process. In essence, what we're debating today is the day to day conflict between the democratic ideal of freely flowing information and the practical considerations of running a government. There is a need to strike a balance between the public's right to know and the government's ability to function effectively. In my view, Bill 201 fails to strike that balance. Therefore, I find I can't support it.

In our past debates on this type of legislation, I and others have raised a number of arguments. I would like to briefly summarize six of those that I think bear on Bill 201, which I admit is a vastly improved edition over its predecessors. First, I'd like to make the point that it is not a public issue. Even with the recent publicity given to the debates in the House and opposition comments outside the House with respect to what they regard as a seriously diminished flow or availability of information, I have had little or no comment from constituents or public groups by phone, correspondence, or any means. In saying that, Mr. Speaker, I'd like to make the point that my constituents in Calgary Fish Creek are much interested in government. They are rarely reluctant to discuss their reservations or concerns with me with respect to government actions, procedures, or intended legislation.

This afternoon the hon. Member for Edmonton Kingsway, in his typically effective way, reviewed a number of defective sections in the Bill, thereby freeing me from the need to do so. But I would like to make an observation with respect to Section 23. This section provides that an application for a court order granting access to records may be denied if "the complaint is trivial, frivolous, or vexatious ...". Mr. Speaker, I have some difficulty establishing in my own mind what the criteria would be that would enable officials to determine just what is trivial, frivolous, or vexatious? In my view, that is a very difficult objective judgment to make, except perhaps for the hon. Member for Clover Bar, who is sponsoring this legislation and who has demonstrated on occasion, with regret, that some of his questions are clearly trivial, frivolous, vexatious, or perhaps all three.

A third reservation I have with respect to this legislation concerns the bureaucratic growth and rapidly escalating costs that have been the experience of other western jurisdictions that have attempted to develop and implement this type of legislation. I am certainly not the first to observe that United States citizens appear to be poorly served by the freedom of information Act. Within the terms of that legislation, costs of compliance have soared far beyond any level anticipated by the legislation's sponsors back in 1966. To give hon. members here today one dramatic illustration of that difficulty, the Federal Bureau of Investigation, as a result of this legislation in the

United States, created its own freedom of information unit. In 1974, the freedom of information unit in the FBI had a total staff complement of eight. I remind hon. members that the function of the freedom of information unit was simply to deal with requests for information arising from this legislation. Five years later, in 1979, the freedom of information unit within the FBI had a total staff complement of 305. I do not know what the staff complement of that unit would be today, in 1981, but I am reasonably sure that that staff complement is even larger, despite the staffing implications of 'reaganomics'.

Mr. Speaker, my fourth difficulty is that such growth and cost could perhaps be justified if a good cross-section of American citizens were being served by that legislation and its implementation. But what has been the experience? *The New York Times* has reported that more than 60 per cent of the requests for government information are not filed by aggrieved citizens or by public interest advocates. Sixty per cent of those are filed by businessmen, government lobbyists, and their lawyers, many of whom are seeking otherwise secret information with respect to their competition.

Fifth, Mr. Speaker, my basic objection to removing decision-making from elected representatives to the appointed judiciary, is an objection I've had through our constitutional debates and discussions, and on other occasions. This concept of removing decision-making from those who are elected by and who speak for their electorate, removing that to the appointed judiciary is a concept totally alien to the administration of government as it has been developed in Canada.

Now, just a comment about our overloaded courts. I have an objection to the legalistic approach to the release of government information, a legalistic approach that is demonstrated on virtually every page of Bill 201. Once again, may I quote the United States Supreme Court Chief Justice Warren Burger in this regard:

... the harsh truth is that if we do not devise substitutes for the courtroom processes, and we do not do it rather quickly, we may well be on our way to a society overrun by hordes of lawyers hungry as locusts competing with each other and, brigades of judges in numbers never before contemplated.

On a previous occasion in this Assembly, Mr. Speaker, I indicated my reservations with respect to freedom of information legislation insofar as senior civil servant intimidation is concerned. As many members are aware, earlier in my career I spent several years as a senior civil servant in Alberta. In that capacity, from time to time I was requested to provide to a member of Executive Council my analysis of a matter before the government, and my recommendations for possible courses of action. Had there been in existence at that time a legislated possibility that such advisory communications could be subject to subsequent public release, I would have written them somewhat differently. It would not have been a question of compromising my integrity, rather there simply would have been a constraint on candor to avoid the risk of professional embarrassment such as might occur with a comment or an action alternative taken out of context. In my view, such constraint would not have served the public interest very well, for it would have denied to the decision-making process of government advice that otherwise would have been more comprehensive, hence more useful.

Mr. Speaker, in previous sessions, the hon. Member for Clover Bar has resorted to poetry to make a point in

debate. On this occasion, perhaps it would be appropriate if I were to conclude and reciprocate on a poetic note:

Walter, Walter, quite contrary  
How does your information flow?  
In fits and starts and brash retorts  
One more Socred horn to blow.

Walter, Walter quite determined;  
There's little need to cheer;  
Your Bill has come and won't go far  
For once again the Buck stops here.

DR. REID: Not being a poet, Mr. Speaker, I'm not going to try to compete with that last insert into the record.

This is the first time I have addressed this issue of freedom of information. I know it's a perennial plant, not an annual one. Looking back at previous Bills, it has grown over the years. It would appear that the hon. gentleman who proposes it on an almost annual basis is learning from the experience. I have not previously addressed this subject because in private life, before coming into the Legislature, I never felt there was a lack of information or that I was deprived of any information I wanted from the government. Since I came into the Legislative Assembly, I have found the same.

I looked at the phrase "freedom of information". It's somewhat like that other phrase, "affirmative action". It means as many things to different people as there are people looking at the phrase. One has to look at the words "freedom and information". What do they mean? They mean personal liberty, civil liberty, lack of confinement, frankness, or in some cases even undue familiarity, but we'll stay away from that one.

Information really means things that are told or news or the telling of information. From that, one has to presume that the very persistent gentleman from Clover Bar has a concept of government in Alberta that recognizes neither freedom nor information. He doesn't feel that government is informing or telling. He feels there is a lack of independence and a lack of frankness. But on what does he base this feeling? Presumably, on a feeling that he doesn't have his democratic rights and responsibilities and is being deprived of the information available to Albertans or that should be available to them under the democratic process.

Mr. Speaker, when you look at the subject of information in this government and in this building, I just checked. On my bookshelves upstairs, there are just over 24 inches of shelf space of annual reports of government departments and boards. The estimates for last year number some 934 pages. The public accounts documents for last year were 1,000 pages. Incidentally, in 1970, the estimates numbered 78 pages as opposed to 934, and the public accounts numbered 412 as opposed to 1,000. I think that means either there has been an incredible increase in the number of programs and developments of the government, or genuinely more detail and more information is provided, quite voluntarily, in those books.

In addition to the documents I've mentioned, there is almost a flood of other printed matter: program brochures, news releases, advertisements in the print media, visual and verbal. There's *Hansard*, which seems to be a fairly good source of information, also the televising of this Assembly.

These are relatively formal mechanisms I've been discussing so far. There are many informal methods for Albertans to get information about the government func-

tion. They can get it through their Member of the Legislative Assembly, on either the government or opposition side. They can have their member put in a motion for a return, and most reasonable motions for returns are accepted by the government. There are written and oral questions. There's an innovation in the cabinet tours, where members of cabinet go to areas of the province and, in turn, have very frank and open discussions with members of the public. They answer the vast majority of questions right on the spot. When they cannot — I can assure you, being a questioner in the past — they supply almost too much written information subsequent to their return to their office. There are news conferences.

If any individual Albertan feels that in spite of all these formal and informal mechanisms he still does not have the information he wants or needs, he can always approach it through the Ombudsman. Like me, probably many Albertans feel there's a bombardment of information that almost exceeds the capability of people, by reading it or listening to it, to absorb it all. So we have to look at why the Member for Clover Bar felt he had to introduce once more The Freedom of Information Bill.

There are really three parts to the Bill. The first says "Access to Government Records", the second says "Exemptions", and the third says "Application to the Court". Perhaps we should look at those three parts. When we talk about access to government records, we are not necessarily talking about information, just as when we're talking about information we don't necessarily mean access to government records. The hon. Member for Calgary Fish Creek has already discussed the rather illuminating fact that if one looks into the freedom of information legislation in the United States, the results show that 60 per cent of all requests have nothing to do in any way with the individual. They are essentially commercial, legalistic, and other ways of acquiring information which otherwise would not be available from the private sector, not from government. They are essentially trying to get information about their competitors in business through government mechanisms as opposed to the normal means of acquiring the business or the information or rights and paying for it.

Another significant group using the American legislation are prisoners, those under investigation, or indeed their lawyers, who always seem to be involved in this type of matter. A very, very small part of the work of United States government people who look after the release of information is associated with information for the benefit of an individual American. Therefore, we have to look at how many individual Albertans, in their dealings with government, are trying to acquire information not available to them I'm sure it's a very small number. Most cases where they cannot get the information are covered by the second part of the hon. member's Bill, "Exemptions".

Before I get to that, I would like to indicate that in my opinion the opposition is not so much involved in trying to get information for individual Albertans; they're more concerned with getting information themselves out of government files which they feel they are deprived of and want to get their hands on. It was rather interesting earlier today to notice two members of the opposition objecting to information being made available to members of this Assembly, in almost direct contrast to the attitude taken by this Bill.

Mr. Speaker, when one gets to "Exemptions" in Bill 201, there are some four pages of them. Some apply to individual information, information obtained in confidence under an agreement between this and another

government or an international organization. There's information the disclosure of which could reasonably be expected to affect federal/provincial or interprovincial negotiations; information to do with individual information exempted from the proposed Bill; information about race, ethnic origin, color, age; identifying numbers such as medicare or social insurance; information relating to the education, medical, criminal, and unemployment records of the individual; correspondence sent to a government institution by an individual unless the individual agrees to its release; and the views or opinions of any person about any other person. It goes on and on. We've already reached a list that's pretty exclusive, and we're only on the first page.

Another very significant one, which is different from the American legislation, is financial, commercial, scientific, or technical information which might affect the competitive position of that institution or organization. Section 17 is devoted almost entirely to cabinet and government working documents, which traditionally have not been available and will continue not to be available under the proposed legislation. In view of current discussions in the Assembly, I would particularly like to address Section 18, which reads:

The head of a government institution may refuse to disclose a record requested under this Act where the record contains information

- (a) relating to testing or auditing procedures or techniques or details of specific tests to be given or audits to be conducted if such disclosure would prejudice the use or results of particular tests or audits;

We have the Member for Clover Bar putting forward a Bill which seems to be in direct, 180-degree opposition to what the leader of his party has been raising as an objection in the Legislative Assembly these last few weeks. The documents that have been requested repeatedly and have been refused for good reason by the Provincial Treasurer are exactly the ones mentioned by the exemption in the hon. member's Bill. It applies particularly to the document described by the Auditor General at the hearings of the Standing Committee on The Alberta Heritage Savings Trust Fund Act, the document he received in return from someone in the Provincial Treasurer's Department. Those documents would be exempted from The Freedom of Information Bill put forward by the Member for Clover Bar.

My most serious concern with the whole concept of this Bill is the third section, "Application to the Court". I think we'll now get to the anatomical intestines of the whole situation — I don't want to be called to order. Here we are suggesting that the whole concept of parliamentary supremacy would be transferred to the judiciary. On what basis would we remove the decision-making process from this Assembly to the judiciary? The list of information techniques described so thoroughly by the Member for Edmonton Kingsway and others is surely an indication that the parliamentary system is extremely effective. It's based on the responsibility of government and elected people. Government and elected people are responsible and answerable for their decisions. Surely a government has to be answerable for its decisions, but in its answerability does not necessarily have to give all the reasons for the decision, all the documents studied. In many cases, those documents may be exactly opposed to each other, completely opposite in opinion. But when government makes a decision which results in legislation or regulations, surely the government has shown its

answerability for those decisions.

In the debate yesterday, I think, I expressed considerable respect for the parliamentary system and indicated that I didn't want to see that system weakened in any way. The system works essentially because it is answerable to the people who elect us. Once more I'll repeat, parliament is supreme.

We've had recent discussions about this being the highest court in the province, or Parliament in Ottawa being the highest court in the land. The reason is that we are answerable under the parliamentary system. That system developed from what used to be the concept of the divine right of kings to the supremacy of parliament. It took some centuries for that to develop. Bills such as 201 would eventually, if there were too many of them, transfer the supremacy from kings to courts. One has to remember that it was another justice of the U.S. Supreme Court who said that judges are answerable to no one. That's a very different concept from parliamentary supremacy and the answerability of governments to the electorate. Indeed the concept of court supremacy, which is espoused by Bills such as Bill 201, was in the original unilateral proposals of the Prime Minister of the country in the recent constitutional debate. I think all members of this Assembly, and indeed you, sir, know how much this Assembly and this government fought against that concept of court supremacy. We wanted to retain the supremacy of parliaments. I think the fight, which was somewhat strenuous, was successful. We have maintained the supremacy of parliament in our system. I would strongly object to starting to dilute that supremacy now by the introduction of Bills such as Bill 201. I would strongly advise members of the Assembly to vote against it.

Thank you.

MR. PURDY: Mr. Speaker, I rise this afternoon to make a few comments on Bill 201, The Freedom of Information Act. This is my first time to speak on this Bill in this Assembly. I think it's been here six or seven times in my 10 years, brought in by various members of the opposition. I have concerns regarding this Bill, as my colleagues from Edmonton Kingsway, Calgary Fish Creek, and Edson have pointed out.

In reading through the *Hansard* of various debates that have been held in this Legislature and some of the comments by my hon. friend from Clover Bar, he indicates that the government is secretive, not accessible, and so on. I'd just like to share with members of this Assembly a little story that took place in my office at about 11 o'clock this morning. About 9 o'clock, I received a phone call from a constituent of mine who was having some concerns and trying to get answers from a certain government department on a dealing he had with them. He wasn't getting very far so I said, come on in and see me. We were sitting having a discussion about this, and I said maybe we should go down and talk to the minister about it. He said, there's some urgency behind this; you'll never get in to see a minister on short notice like this. I picked up the phone and phoned the associate minister of energy, asked his secretary if the minister was in and if he could see us. She said, in about five minutes. This chap was really overwhelmed that he could get in and see a minister of the government on such short notice. So anytime the members of the opposition say this government is not accessible, it doesn't show very much credibility.

I look at the particular Bill, and I take some real exception to the purpose of the Bill and how it is written.

In essence, the hon. member is saying that information should be made available. Lots of information is being made available right now, and any information that shouldn't be made available should not be made available. Maybe he was writing this on the expectation that some day they might be back as government in this province and they'd have that particular clause in there to protect them as they did years ago. They never passed any information to any of the members of the opposition or the public that required it.

The hon. Member for Clover Bar quoted a statement that the Premier made in 1972. I'll just refresh the memories of hon. members with that quote.

We are committed to this approach. The nature of our society in 1972 in Alberta demands it. We need to be better informed in terms of the public. We need to assure that the public is better informed, so that they can better understand some of the difficult decisions we have to make. And more important, as I've said on a number of occasions we need to assure that government is more responsive to the public view and the public's feelings.

After 1972, what did we do in this province? We started cabinet tours so that members of the public could meet cabinet ministers on a one-to-one basis. We realigned the question period in this Assembly, and in my 10 years in this House the ministers of the Crown have been accessible and have answered questions. We've realigned private members' days in this Assembly to make the members of the opposition have particular debate on Bills they may want to bring forward. Today is a typical example of what's happening. Ten years ago, this would not have happened in this Assembly. We changed the rules to allow for debate on Thursday afternoons from 4:30 to 5:30. We've made more resources available to the opposition parties in the way of moneys, something to the tune of \$0.5 million for research, office supplies, and so on. Just as an interesting side thought, I just came back from a parliamentary conference in the province of Nova Scotia. I discussed and looked at some of the facts and figures a member of the Ontario Legislature showed me. The total opposition in the Ontario Legislature, 57 members, get only \$0.5 million, equivalent to what six members do on the other side of the House. So I think we're being pretty generous in getting information . . .

MR. SPEAKER: Order please. With great respect to the hon. Member for Stony Plain, I have some difficulty in connecting generosity in funding opposition members with freedom of information.

MR. PURDY: I was just getting to that, Mr. Speaker. I was just going to tie the two together to show that with the resources they have and so on, they can receive this information. If they're doing their research properly and the money is being spent, the information is available to them.

DR. BUCK: The next thing you're going to tell me is that it's your money.

MR. PURDY: I missed the point by the hon. Member for Clover Bar.

DR. BUCK: It's the taxpayers' money.

MR. PURDY: A number of other things have happened that have given members of this House information that

is available and, more so, allowed the general public of Alberta to have access to information. We only look at the amount of money made available for MLAs' offices and a number of other things.

Mr. Speaker, in view of the time and the many other notes I have in front of me, I beg leave to adjourn the debate.

MR. SPEAKER: Is it agreed?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, this evening it is proposed that the House consider government Bill No. 92 for second reading, the Electric Energy Marketing Act. I move that we call it 5:30.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

DR. BUCK: Mr. Speaker, before you call the question, to the hon. acting House leader: is that all the government proposes to do this evening, just Bill 92?

MR. HORSMAN: Mr. Speaker, should the debate conclude on Bill 92, it would be proposed to deal with a number of Bills which are in committee, excluding Bill 25, which we don't propose to proceed with at all, Bill 69, and perhaps others, depending on which minister may or may not be present for the purpose of dealing with committee study. But we anticipate the debate on Bill 92 will be of some length.

[The House recessed at 5:28 p.m. and resumed at 8 p.m.]

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

**Bill 92**  
**Electric Energy Marketing Act**

MR. SHABEN: Mr. Speaker, I'm pleased to move second reading of Bill 92, the Electric Energy Marketing Act. I think it would be useful for members of the Assembly if first of all I reviewed the structure of the electric utilities in the province.

The system in Alberta has worked very well. It's made up of two investor-owned generating and distributing utilities, TransAlta Utilities Corporation and Alberta Power, and two municipally owned utilities, Edmonton Power and Medicine Hat Power. These four entities make up Alberta's interconnected system, along with those cities that purchase electric energy wholesale and distribute it to the citizens of those cities.

TransAlta is an investor-owned utility, that serves about 60 per cent of the load in Alberta. They supply electric energy to various parts of the province, principally the south, but also serve the far north and Fort McMurray area but not Fort McMurray proper. The utility company sells electric energy wholesale to cities like Calgary, Lethbridge, Red Deer, and so on, as well as providing electricity to some of the rural electrification associations. The utility is regulated by the Public Utili-

ties Board, as is Alberta Power.

Alberta Power is also an investor-owned utility, that serves about 15 per cent of the consumers in the province, but about one-third of the land area of the province. Alberta Power is regulated by the Public Utilities Board and also serves a large number of rural electrification associations. The city of Edmonton utility is a generating utility as well, now generating power from gas-fired units in the river valley and at Clover Bar. As all members know, approval was recently provided to the city of Edmonton to develop coal-fired generating capacity at Genesee, just west of Edmonton. Medicine Hat is a generating utility using natural gas, and serves the citizens of Medicine Hat.

All these utilities have been working together through what is known as the Electric Utility Planning Council. They plan and make recommendations to government and to the Energy Resources Conservation Board on requirements of the province, site evaluation, and projections. Mr. Speaker, I would like to file for the library an excellent document released this year by the Electric Utility Planning Council, entitled *Power Generation in Alberta — (1981 — 2005)*. I believe a number of members of the Assembly have already reviewed the document. It's very worth while for us in looking ahead. That briefly describes the utilities.

I'd like to dwell a little on the relationship between each of the utilities, the Energy Resources Conservation Board, and the Public Utilities Board, and how these agencies interact. In addition to dealing with matters of oil and natural gas and conservation, the Energy Resources Conservation Board plays a major role in the approval process of new generating plants. They make recommendations to the government, after having public hearings and thorough examination and cross-examination of the need for new generating capacity in the province. They also deal with matters related to franchise and service area, and make decisions in that regard. The Energy Resources Conservation Board also makes decisions with respect to transmission lines in the province.

The Electric Utility Planning Council, which is made up of all the utilities, spends many hundreds of hours — senior members of the companies — along with the cities and representatives of the Department of Utilities and Telephones, planning the needs of Albertans; that is, the needs to meet our electric energy requirements over the years. And over the years, they have done an excellent job. This is evidenced by the fact that it's a rarity indeed for Albertans to experience a brownout because of shortages of energy. The planning horizon for developing new plant takes seven to 12 years, depending on the location and the type of plant. This forward planning is very, very important. So that relationship between the utilities, the government, and the Energy Resources Conservation Board is most important.

The Public Utilities Board also serves a vital role in the entire area of utility pricing within the province. TransAlta Utilities and Alberta Power are regulated utilities, which means that their revenue requirements, their rates, are tightly regulated by this quasi-judicial board chaired by Mr. Horton. It thoroughly examines their revenue requirements, their capital needs, their return on equity, cost of service, and all the factors that go into determining what is a fair and reasonable rate for electric utilities. The other two generating utilities, Edmonton Power and Medicine Hat, are regulated by their elected city councils, and are not subject to Public Utilities Board regulation. I

think it's important to cover that background before moving into the principles of Bill 92, and describing for members the concept of this particular piece of legislation, since it's very important to Albertans.

The Bill first of all allows for the creation of a small agency. We expect probably eight to 10 people will be required to operate it. Its principal purpose is very simple: to purchase, pool, and resell the electricity generated in the province. How is that going to be done? It's going to be done with a mechanism similar in concept to the petroleum marketing agency, but somewhat different in that the agency will purchase and own the electricity for an instant.

The point at which the energy is purchased will be known as the pooling interface. That's an important part of the concept, in that over the next four months this pooling interface will be determined in consultation with the utilities. But basically, the pooling interface is the point at which distribution begins; in other words, at the terminus of transmission. So the averaging or pooling of the energy will be at a point prior to distribution. The costs of generating and transmitting will be averaged. Then the energy will be resold to the generating utility. That's a very important factor in this legislation, because it's simple and provides continuation of the present relationship that exists between the utilities and their customers.

Let me give you some examples. Presently, TransAlta Utilities generates electric energy at a number of hydro plants, including Sundance, Wabamun, and on the Bow and Saskatchewan, and sells it wholesale to the city of Lethbridge. The city of Lethbridge distributes that energy to consumers within its corporate limits. That relationship will not change. The difference will be that the agency will purchase that energy, own it for an instant, pool it with all other electric energy in the province, resell it to TransAlta, which in turn in this particular example, resells it to Lethbridge.

Earlier I mentioned the function of the Public Utilities Board. The Public Utilities Board determines the revenue requirement of the generating utilities, as well as approving rates based on that revenue requirement. But it does not approve rates for those cities that purchase the electric energy wholesale and sell it, within their corporate limits. That will not change. There's no intention of the agency to set the rates for the citizens of Lethbridge. The city council of Lethbridge will continue to be able to set the rates.

I'm sure all hon. members are aware that in setting rates, a reasonable amount of discretion is taken by the utility. In the case of a city, those rates are set upon a resolution of city council. But in terms of those utilities that have their rates regulated, the Public Utilities Board approves the rates after approving the revenue requirement.

For members of the Assembly, it's useful to know that the rates vary depending on the class of customer. For example, industrial customers generally pay a higher rate than commercial customers, and residential customers pay the lowest rate. The utilities do this, and those practices are approved by the PUB. For example, in some cases industrial customers will pay as high as 180 per cent of the average cost of generating the electricity. In some cases, residential customers will receive the power-only portion at less than the average cost. So there is cross-subsidization within the rates of the individual utility.

The point of this comment about rate setting is that the agency does not intend to interfere with that relationship:

that rate setting that has been going on and the function of the Public Utilities Board. Cities that purchase energy wholesale, such as Red Deer, Calgary, Lethbridge, will continue to be able to set their own rates. So the interference of the agency is minimal.

What is the purpose of establishing this agency? The other day, I was looking through *Hansard* for the number of times the issue of rate differential has arisen in the House in the period I've had the opportunity to serve as Minister of Utilities and Telephones; that's only in the last two and a half years. Looking at my notes: June 5, July 3, and November 14, 1979; April 22 and May 21, 1980, and so on. Those are on that specific issue, though the matter has come up in a peripheral way on a number of other topics.

How will the agency help rectify this long-standing concern we have in Alberta? Members should bear in mind that all the material related to rates is public information at the Public Utilities Board. The city of Edmonton provides statements of the operation of their utility, as does the city of Calgary. And the Electric Utility Planning Council provides a great deal of information on rates, structure, and projections. After two and a half years of close examination of the structure, it has been determined, and it's generally accepted, that about 60 per cent of this rate differential results from differences in costs of generation. It will be useful to elaborate on that.

The costs of generation vary. They vary because of the age of the plant and the original cost, that is, the level to which those plants have been depreciated, because the establishment of the rate is based on a rate base made up of these factors; the fuel, whether it's water, from hydro, or coal — the location of and type of fuel; and the size and economies of the plant. All these factors contribute to the cost of generation.

Throughout the province, we've determined that about 60 per cent of the rate differential occurs at the buss bar, or at the generation plant. About 20 per cent of the differential occurs in transmission. That's logical and simple to understand, because of distances from the generating plant. Customers who are close to a generating plant pay a lower transmission cost than those who are somewhat further away. The other 20 percent differential occurs in distribution.

Distribution has a number of factors that contribute to differences in costs. If a utility is serving a high concentration, a populated area, naturally the costs of distribution are somewhat less. The mix of industrial versus residential is also a factor, because the load is important. But it is understood and recognized in the industry that 20 per cent of the differential occurs at the point of distribution. So the effect of the marketing agency, with what I've described to hon. members — pooling at the point prior to distribution — will reduce rate differentials in the province by approximately 80 per cent. This is something that citizens in all parts of the province have talked about and sought a solution to. I believe we have now arrived at a reasonable way of achieving that solution.

What will the effect of this pooling be? Some rates will go up as a result of it. So in developing this proposal, the government believes it will be useful to provide a five-year phase-in period, so that customers who presently have a lower rate are not negatively impacted in the pooling process. It will occur gradually. I think that's a reasonable way of proceeding with this concept.

I've dealt with rate differentials, which are a very important aspect of the marketing agency and one of the

principal reasons for moving. It's a concern we all know. Members in the Assembly have worked — I know the hon. Minister of Recreation and Parks worked for a number of years on a committee dealing with concerns of the rural electrification associations. From time to time, the Member for Little Bow has raised the issue in the Assembly, as has the Member for Bow Valley. A number of members have expressed concern about this difficult issue.

There are other ways of achieving rate rationalization. An obvious one is for the government to step in, buy all the utilities, create a Crown corporation or whatever, and have a single utility. That's one option. Another option is for the government to inject subsidies to particular classes of customers forever and ever. Another option considered quite carefully is that the investor-owned utilities pay corporate income taxes to the federal and provincial governments. Corporate taxes paid federally are rebated to the province and, in turn, the province returns them to the investor-owned utilities, as well as the provincial corporate taxes, and those are redistributed to customers who purchase electricity. One suggestion is that corporate tax should be used in some other way. The forced merger of all the utilities.

All these suggestions have all been examined very closely. But because of the nature of the industry in Alberta and how well it has served the citizens of Alberta, the marketing agency course of action was chosen. It will reduce rate differentials in the province and provide for an increased and ultimately optimum level of economic dispatch of electricity. That means the best use of the generating capacity in the province.

Presently, each of the utilities practises economic dispatch within their own utility. Using TransAlta as an example, I can describe it this way: they use the plant they have in place in a way that serves their customers in the best possible way. In other words, the low-cost plant goes on first, the higher cost plant is fired up next, and only in peak periods is very high cost energy run into the system. Alberta Power uses the same system.

One of the most important benefits of the marketing agency is the opportunity and necessity of developing, encouraging, and achieving economic dispatch within the entire province. That can be achieved with the marketing agency. We've been working with the utilities through an implementation committee. The utilities recognize the value of economic dispatch. Through the the years — over a period of five years during the phase-in period, working with the utilities — we believe we can achieve a very high level of economic dispatch in the province, which provides savings to all Albertans.

Members are aware that other utilities across Canada generate electricity and sell surplus quantities principally into American markets, as does Quebec, Manitoba, and Ontario. As all members know, for the past three years there's been work between Saskatchewan, Manitoba, and Alberta to develop the possibility of Manitoba selling surplus electricity to Saskatchewan and Alberta. From time to time, utilities in the province have surpluses of electric energy during off-peak periods, or when a new plant is commissioned and the load does not equal the generating capacity.

One very important aspect of this particular piece of legislation is that when those opportunities present themselves for export of surplus quantities of electricity from Alberta to other jurisdictions, all Alberta consumers will benefit because of the pooling process, rather than the consumers of an individual utility. That's another very

important aspect. Right now, one of the utilities is negotiating with British Columbia because they have a temporary shortfall and the Alberta utility has a surplus. Reasonable arrangements may be made, and all Albertans can benefit because of the pooling process.

Those are three features. I touched on the other one; that is, importing electricity from another province. If an agreement is concluded between Saskatchewan and Manitoba, there has to be a capacity to integrate that electric energy into the Alberta interconnected system. The agency would simply buy it, pool it with energy available from the generators in Alberta, and resell it to the utilities so that they can distribute it to their customers. That's another way in which the agency would be helpful to Albertans.

Another important aspect is that certain types of generation are more expensive than others in the short term, as opposed to the benefits in the long term. The coal-fired generating plants in the province, and the new ones under construction, have lower front-end costs than hydro development, but they have higher ongoing costs because of fuel. The life of a thermal generating plant is normally 30 to 35 years, whereas the life of a hydro plant is usually 70 to 100 years or more. As Alberta's requirements grow, it is logical that we develop our potential. And it should be noted that in the next 10 years, if present trends continue, we will need to double our generating needs and, over the next 25 years, triple them.

As I indicated earlier, hydro has a higher front-end cost. Costs of that energy in the early years after its development are higher than the equivalent thermal generating capacity. So the benefits accrue to the citizens over the long term. The advantage of pooling is that that higher cost hydro, which hopefully will be brought on stream in the '90s, can be pooled with the lower cost depreciated plant and the lower cost hydro already in place, and those costs can be shared equitably by all consumers. Another very important benefit of dealing with this is that the decision-making as to who shall build a generating plant is not so crucial. Until now, the decision-making that has been required by the Energy Resources Conservation Board has been influenced very heavily by the load of a particular utility; that is, the customer requirement of a particular utility, as opposed to the overall provincial need. It will make it much easier for the Energy Resources Conservation Board to make decisions on economy, location, and the best possible sources of new supplies of energy.

Mr. Speaker, everyone knows that energy rates are going up, whether it's electricity, oil, or natural gas. Electricity is certainly no exception. The major cost of electricity is a new generating plant. We have a number of plants approved and others on the horizon. As those plants are commissioned, those costs will become a part of the costs all of us pay for electricity. So it's important and crucial to Albertans that we develop a system where we get optimum use of our energy and maximum economic dispatch, yet retain the strengths of our existing system. That system is the opportunity for competition between the utilities for new service area, for new plant, an opportunity for the Public Utilities Board to compare the efficiencies of the various plants and for Albertans to receive the best possible value for the dollars they expend for energy.

Mr. Speaker, it's an important piece of legislation and has a number of significant features that I'm sure a number of members would like to comment on. I look

forward to hearing their comments in this debate, and I urge all members to support this Bill in second reading.

[Two members rose]

MR. SPEAKER: I believe the hon. Member for Bow Valley caught my eye first.

MR. MANDEVILLE: Mr. Speaker, as the minister indicated, I think this is an important Bill to all Albertans and especially to our consumers. I would like to make a few comments on Bill 92.

I like the term "agency". It's a very good term as far as I'm concerned. I certainly feel much better and more informed about the Bill, because the minister did an excellent job of explaining how it is going to work and how it's going to affect some people in the province. But when we do get this type of legislation, it always gives me some concern. I look at marketing boards, and am hopeful that this won't venture into that area, appreciating that it's not going to control the supply. However, we have very few suppliers in the province as far as energy is concerned. When we get our suppliers down to where we don't have that many, I wonder if it could lead towards a marketing board. I have some fears in this area.

I think our companies, TransAlta and Alberta Power, have done an excellent job for consumers in the province. This is a big change, Mr. Speaker. I'm not so sure how it's going to affect consumers in the province. I don't have enough information. I haven't had enough feedback from the people in my constituency or the utility companies. I'd just like to ask the minister a few questions. Has there been any consideration in setting up any hearings, as far as getting input from consumers in the province is concerned? I'm sure the minister has consulted with our utility companies, but how much input had he had from consumers in the province before he drafted the Bill? I wonder what the reason was for coming up with a Bill like this, to equalize electricity to consumers throughout the entire province. Was it a request from the utility companies or consumers? Just where did the request come from, as far as averaging out electricity in the province is concerned?

Another area gives me some concern. Is it going to be equal to all consumers in the province? If they are located close to the source of power, what is going to handle the transportation? Is it going to be equal if you're closer or farther from the source? Will it be equal to all Albertans as far as the power is concerned. The minister indicated that it will be equal to all Albertans. I can't see how the power is going to be equal to all Albertans.

The minister indicated there are going to be some subsidies for five years. But in the event that it's not working satisfactorily — and he's taking care of the subsidies for the five years — what is going to happen after the five years? Maybe I misunderstood the minister as far as the five-year term is concerned. I know some money is going to be put into the program in the first year.

As I said, is the purpose of pooling all our electricity to decentralize industry in the province? Maybe the minister had better take a really good look to make sure he can keep all the water in his rivers in the north. We'd better not divert that water to the south, because maybe we'll need it for generating power in the north. Maybe this is something the minister should keep in mind. Maybe we'd better not have this water diversion at this time. As I said, I think the industry is doing a terrific job, and I would

like to know if the minister has given any consideration to having hearings on this and holding this in committee until our next session. Possibly our consumers could take a good assessment of how this is going to affect them.

With those few remarks, I thank you, Mr. Speaker.

MR. L. CLARK: Mr. Speaker, it's a real pleasure for me tonight to speak on Bill 92. I would like to start by complimenting the minister on bringing this Bill forward. I think it's going to have some very positive effects on Alberta. I think it's something we have needed for quite a long time in Alberta.

Mr. Speaker, I would like to speak briefly on the principles of the Bill. I would also like to bring the attention of members to what I think will be some of the benefits to all Albertans, and maybe even touch a little on what I believe might be the purposes of the Bill. I would say that one of the principles we have tried very hard to promote in Alberta for the last few years is balanced growth. We've done this, not because we believe it's what we should do; we know it is the right thing to do, to bring balanced growth across this province. We have done it because it's the only way of bringing prosperity to all Albertans.

We have always said that we should encourage industry to develop in areas that are not environmentally sensitive. We have said, and I heard it said time and time again when we were on the surface rights committee travelling across this country, that we should not allow our industry to develop on good farmlands, Nos. 1 and 2 soils. At the same time, we also heard it said that we shouldn't allow pollution of our cities; we should spread out industry so that the pollution will not be concentrated in any one area.

Mr. Speaker, I believe one of the main things that has helped prevent some of this balanced growth across the province has been not so much the cost of power as the differential in the cost of power in some of our northern and eastern areas where power comes a lot higher. It's very difficult to encourage industry to settle in an area where they have an excuse that the power is so high that they can't afford to settle there. In the long run, I think industry just picks the most economical place to settle, and that's where they settle.

This Bill will put all areas on an equal footing, in view of the fact that should give approximately the same price to most all the power produced in Alberta. I think it will add to our already very positive decentralization program in Alberta, and make it even more successful by encouraging some of the larger industrial-area plants to move into northern and eastern Alberta. It will take away that one reason they usually have, that it's not economically feasible to do this, because power will be approximately the same price out there as it is near our major cities. Also, I believe it would have a very long lasting and beneficial effect on all Albertans.

This Bill has another very interesting benefit that I would appreciate the minister commenting on in his closing remarks. As I understand it, it would allow areas that have an ability for an alternate form of power or a wasted supply of energy not being used presently, to be put on stream by allowing it to be passed into the grid. By using these waste products or new sources . . .

Another thing I'd like to mention: we have some mines. Even in my area we have a mine that has tremendous potential for coal. But because of transportation costs, by the time it gets to the market it is no longer economical. With this agency, I believe it could be possible to develop



power on site and put that power into the grid, making many of these older underground mines financially feasible units again. They could bring the coal up, produce the power right on site, and feed it into the grid. I would like the minister to comment on that.

I compliment the minister for bringing this Bill forward. I think it will benefit all Albertans in the long run. We will continue to have competition in the production of power in private enterprise. The power will also be set by the PUB. This Bill retains the competition of private enterprise. It might even gain some competition if we are allowed to let areas such as wind power, for instance, as a new source of energy, feed their power into the grid in areas. If we're allowed to use waste forest products and bring them into the grid, it could actually bring about more competition with our power. I would like to compliment the minister again and hope all members will support this, as it will have a lot of long-term advantages for Alberta.

MR. ZAOZIRNY: Mr. Speaker, I would like to address a few remarks to the Assembly on the subject of Bill 92, the Electric Energy Marketing Act. I view this as one of the most significant Bills of this now very extended fall sitting of the Alberta Legislature. As the minister properly pointed out in his opening remarks on second reading, the concept of an electrical marketing agency is relatively simple, but I think it's fair to say that its implications are substantial. The minister indicated that the Bill is the product of some two and one-half years of study of the structure of the electrical industry in Alberta, and that this preparatory work included an analysis of the various options that exist in terms of rationalizing the electrical energy industry in Alberta. Mr. Speaker, I think most members of this Assembly would acknowledge that there is a need for some rationalization, to lessen what is now a very large differential between rates charged to consumers in the more densely populated areas of the province, such as Calgary and Edmonton, and rates charged to consumers in more remote parts of the province. There is just no denying the fact that reasonably priced electrical energy is a virtual necessity of life in this province, with the climatic conditions we experience. So it's not surprising that the government has been seriously addressing this important question.

It is my understanding, and the minister alluded to that in his remarks, that the agency concept outlined in the Bill will eliminate some 80 per cent of those rate differentials by establishing what might be referred to as a postage-stamp wholesale power rate. It is also my understanding, based upon what has been stated earlier, that the concept will greatly simplify the integration of power purchased extra-provincially, such as the proposed western electric grid, and will encourage the government's stated policy of balanced economic growth throughout the province. I believe these are all worthy objectives.

Contrary to the publicly expressed view of the hon. Member for Spirit River-Fairview, who regrettably isn't in attendance this evening, I personally am greatly relieved that the option viewed most appropriate by the minister is a marketing agency and not a provincialization of electric power through a takeover of the investor-owned utilities. I share the view of the hon. member who preceded me. I am of the same school of thought that believes it is extremely healthy to have some degree of competition in the electric industry, so there is some way of measuring the cost effectiveness and efficiency of the industry in Alberta, and to encourage that efficiency.

However, it must be acknowledged that even the concept of an agency will be viewed by some as an unnecessary intrusion by government into the private sector, insofar as it will result in further government involvement in the industry. The Member for Bow Valley alluded to that point of view. I believe the question that arises then is not whether there is an intrusion, but whether it is a necessary intrusion on the part of government. The minister has responded to that query in the affirmative. It has been indicated that the administration of this program will be relatively simple, and not give rise to a further and more greatly expanded bureaucracy.

While accepting the proposal in principle on the basis it has been outlined to this Assembly, I feel it only appropriate to place before members of the Assembly and the minister some concerns expressed, and widely reported in Calgary, particularly by some members of our city council. The minister may well have heard these concerns. But given that there will undeniably be some impact on the constituents of Calgary Forest Lawn as a result of this proposed legislation, I wish to place those concerns on record.

The primary concern I have heard is with respect to the financial impact this proposal might have on Calgary electric energy consumers. There appears to be some disagreement as to the actual impact in future years. The minister has indicated that in five years, Calgarians may pay approximately 8 per cent more for electric energy than they otherwise would, while the city is concerned, on the basis of their calculations, that the increase might be somewhat more than that. I believe the most recent number they have suggested is in the order of 13 per cent.

Admittedly, that impact will not be for some five years' time, as has been outlined to us, as a result of the price protection plan, if you will, that the government has indicated it will implement. I'd like to commend the minister for that plan, because while I believe Calgarians are not averse to providing some measure of support to other electric energy consumers facing sky-high rates in this province, I don't believe the financial burden of this plan should be carried solely on the backs of Calgarians. I'm grateful that, as outlined by the minister, such will not be the case.

Because of this concern, Mr. Speaker, there has been a published request, if you will, by some members of council that this legislation not be proceeded with at this time. I simply say that if it is the view of the government that it is important and necessary to proceed with this legislation at this time, I suppose the minister won't be surprised if I not only encourage him to seek to resolve at the earliest possible moment this issue of the actual financial impact on Calgary — and I acknowledge that some initial meetings have apparently already been held — but also urge him strongly to give consideration to expanding and extending the support program so any adverse impact on Calgary electric energy consumers will be minimized.

I make that representation on behalf of the constituents of Calgary Forest Lawn, and trust that the minister will be sensitive to those concerns and that the government will respond to them. I look forward, Mr. Speaker, to hearing from other hon. members of the Assembly in what I trust will be a full debate on this very significant Bill.

Thank you very much.

MRS. CRIPPS: I want to speak on Bill 92 because of my long-time interest in the supply and cost of power in rural Alberta. As a member of the Assembly, I have also had

the opportunity to be a member of the caucus utilities committee, and some problems addressed by this committee have been a problem in rural Alberta in their distribution of that power. I think it's important that I just outline the problems, Mr. Speaker, because the principle of the Bill addresses some of those.

The committee has looked at the differential between power rates and the companies, mainly Alberta Power and TransAlta; the differential between towns and cities in this province. In partial answer to the question of the Member for Bow Valley, numerous meetings have been held with the Union of REAs. I imagine the member knows that this union is representative of all areas of the province; the province being divided into zones and directors elected from each zone. This group has had extensive discussions with the committee on rural electric problems: rebuilding lines, line takeovers, the master contract, and the financial viability of REAs. Of course, the REAs have a number of options, and those were discussed also. They can sell out, stay as they are, amalgamate, or ask for government takeover. None of these options seems to be too popular and, for the time being, the situation is going to remain as it is.

If I can go into a little history, the concept of REAs originated in the '40s with the need to provide electricity to rural Alberta. In 1948, the government passed legislation allowing establishment of farmer-owned rural electric associations, plus providing loans to the farmers. This legislation has resulted in small, rural co-ops all over the province, which paid for the construction of the distribution system in their area. At that time, there was absolutely no conception of the number of users or the increased services which would need to be supplied in rural Alberta.

Thirty years ago, we had the construction era of power distribution in rural Alberta. Twenty years ago, we had the expansion phase. I think I would have to say that that expansion phase is again resulting because of the small acreage areas developing recently in the province. Of course, now the REAs are faced with reconstruction because the lines only last so long. That's a very expensive proposition which the deposit accounts were designed to pay for but, because of escalating costs, they aren't going to be able to.

Inequities are going to result because of differences in deposit accounts and in overall line needs. If we add the difference in power costs because of location in the province, we are going to have totally inequitable power rates throughout the province. If we're looking at fairness, we have to give all Albertans power at equivalent rates. Of course, rural Albertans maintain that besides increased power rates, they've also paid for the cost of building their lines. Mr. Speaker, I mention this because it's been a key issue we've discussed in the many meetings we've had over the last year, the conclusion being that everyone should have access to power at equivalent prices.

Another group we worked with extensively was the Rural Electric Council. The Member for Bow Valley wanted to know who we've talked to during the last couple of years. It's been two and a half years. Of course, that's made up of the Union of REAs, TransAlta, Alberta Power, and a couple of officials from the department. This group has gone through various proposals which would improve power inequity. They've also met with the caucus utilities committee many times, and we've gone through those proposals with them. In fact, a couple of the proposals have gone to the Union of REAs meeting. I attended the meeting last year in Red Deer, where the

latest proposal had been rejected. I suppose the other alternative proposed at that meeting was public power, and that was also rejected. So there's no clear concept of what is needed or what's the result.

I think we've addressed 10 or 11 problems, and I'd like to read those problems:

1. Differentials in average rates to customers
2. Differences in gas support price rebates to different [utility companies]
3. Vulnerability of customers to changes in provincial discount
4. (a) Franchise and service areas allocation problems

That's because the power companies' rates differ greatly in the franchise areas. I think it's apparent in the numbers given to you that that would increase rather than decrease. Also:

- (b) Variable degree of regulation of earnings [and] rates
5. Problems arising from ownership of future thermal generating plants and associated transmission lines . . .
6. Problems arising from ownership of future hydroelectric generating plants and transmission lines . . .

I guess the minister referred to that when he said it makes a great deal of difference who builds the power company or who has access to hydro-electric power because of the cost once the construction is done. That differential would be lessened considerably with this marketing agency.

7. Means of alleviation of REA problems
8. Means of participation in interprovincial power grid arrangements . . .
9. Maintenance of investor confidence in Alberta
10. Avoidance of administrative complexity
11. Responsiveness of industry to public policy objectives.

All of those are questions, among others of course, which have to be answered when you're looking at a possible solution to the inequities in power throughout the province.

As the minister indicated last year at the Union of REAs meeting, he was looking at 10 alternatives. Those alternatives ranged from doing nothing, maintaining the status quo; to changing the franchise areas; changing provincial transfers of discounts; maybe even a merger of the investor-owned utilities — we almost had that, didn't we, or at least it looked like we were going to; direct government subsidy to existing utilities to equalize the rates; total provincial takeover of power production in Alberta — I guess that's a concept which, in my estimation at this time, isn't acceptable in Alberta or to Albertans; the imposition of a power tax of some sort; a new provincial generating utility; creation of an electric power marketing agency; or a voluntary utility generating pooling organization. I think that's probably another area that would be very, very hard to get the power companies to do. They're in competition, not in pooling their power sources.

I guess I want to say that there are two options which solve most of the 11 problems I listed, or nearly solve them. One is public power, and the other is the creation of an electric power marketing agency. Neither of them addresses the problems with the REAs any better than the other, but I think one is probably far more acceptable to Albertans than the other. I think the creation of an electric power marketing agency is probably acceptable

and will resolve and meet the needs of Albertans for equal power rates throughout the province.

I highly endorse the Bill and hope members would support it.

MR. PAYNE: Mr. Speaker, I'd like to participate briefly tonight in second reading debate of Bill 92 and, as others have done, indicate my support for the Bill.

Since first reading of the Bill, 10 days ago, I've had an opportunity to speak with a number of constituents regarding the concept of an electric marketing agency in the province. Generally speaking, they have recognized that this agency represents a legitimate effort to equalize the costs of electric power in Alberta without frankly taking over the electric power business, as has been done in other jurisdictions. Those I have spoken to seem to recognize the essential fairness of eliminating the great disparities that exist throughout Alberta with respect to power rates. I've detected, as well, support for the stated objective of balanced economic growth.

I would be misleading the House, however, if I left the impression tonight that constituent views have been unanimously supportive. Given the prevalence of the free-enterprise spirit in Calgary Fish Creek, it is of course not surprising that a few constituents have indicated their concern over additional government involvement in the market place. I should add though, Mr. Speaker, that these same free-enterprisers have expressed relief that the government did not opt for a public-ownership solution to the problem of power rate disparity. Incidentally, that sense of relief is shared by their M.L.A. As one constituent put it to me so well recently: "It's the least troublesome alternative."

The minister of course will be aware from news reports and comments made earlier this evening by the Member for Calgary Forest Lawn, that some members of Calgary city council have questioned the government's forecast of the proposed agency's cost increases for electricity consumers in Calgary. Tonight I would like to encourage the minister to take whatever steps he feels are appropriate to reassure the House and the Calgary members in particular — perhaps at committee stage — that the government's urban power cost forecasts are well documented.

Even though very few constituents have as yet expressed concern to me about the eventual rate increases in Calgary — that is to say, none as yet has expressed concern about the boost in his or her utility bills down the road — I suspect those concerns are there. If I may make the most platitudinous and needless statement of the evening, these are inflationary times, with many incomes being outpaced by the consumer price index. From one narrow viewpoint, Bill 92 could be regarded as yet another contributing factor to inflation, at least for electric power consumers in Calgary.

I realize, Mr. Speaker, that the minister recognized this factor in his plan to cushion the increased rates in Calgary through a five-year, subsidy-based phase-in period. In view of this inflation by legislation factor, I can readily understand why the gas and power committee of the city of Calgary has asked the minister to consider extending the subsidy-based phase-in period to the end of the decade, to further reduce the impact on Calgary consumers.

Mr. Speaker, I'm sure the minister will be interested in the remarks of a constituent of mine, who in recent days has talked to a number of senior officials at two of the major utility companies in the province. He asked for their assessment of the legislation we're debating tonight.

Their comments, as reported to me earlier today, were quite positive. Although, not surprisingly, they acknowledged they would prefer no change, they indicated they'd had what's described to me as "a good opportunity to make an input into the process of legislation development". I'd like to express my personal appreciation to the minister for giving the utility companies that opportunity. They feel it was a worth-while opportunity.

In conclusion, Mr. Speaker, I would like to indicate to the minister that the concept of a provincial agency responsible for marketing electricity in the province is sound. Obviously I would have preferred a method of achieving the goal of power rate equalization without direct government intervention, but frankly no such method appears to be feasible. In effect then, the agency concept appears to be a good compromise — a reconciliation, if you like, of different views — that will achieve the wholly worth-while objective of equalized power rates in Alberta and make what I believe in time will be an important contribution to the goal of balanced economic growth throughout the province.

Thank you, Mr. Speaker.

MR. GOGO: Mr. Speaker, with regard to Bill 92 in second reading, I come from that part of the province that one could perceive as being adversely affected, when one looks at the structure now of the Lethbridge community in terms of its source of electrical energy. My community has been through some local uproars, shall we say, to put it mildly. In 1974 when Lethbridge, which if one considers the historical concept of its source of electrical energy, finally sold its own power generating plant and purchased exclusively from Calgary Power, now TransAlta, it caused a great deal of furor at that time.

Quite frankly, Mr. Speaker, when one looks at the situation in the Lethbridge community at that time, one finds that the cost of restoring the existing power plant in the community was \$5 million or \$6 million, which even in 1974 was a little bit of money. Because of a certain policy of the city, I guess, and because it doesn't come under the Income Tax Act, depreciation was not a factor they were that seriously concerned with, except they well knew you must acquire through depreciation those funds to replace an asset. They didn't do it. As a result the plant was sold and they became, you might say, totally dependent on Calgary Power as their source of power.

Mr. Speaker, having said that, I recognize that for Alberta to be what I would call a province of equal opportunity, or certainly a province of opportunity, I think one would have to recognize some degree of precedent. For some time in this province we've had the natural gas price protection plan, which protects consumers of natural gas up to a billion cubic feet. That was well accepted in principle, recognizing that the costs for natural gas were significantly different. And that was one way where the province played a role in assisting users of natural gas, both commercially and domestically, with some degree of support. So in terms of the precedent of government becoming involved in that area, frankly that doesn't disturb me that much.

However, a couple of areas do disturb me somewhat. As representative for Lethbridge West, I've discussed this matter with the mayor of my city and members of his council. The minister may want to make comments when he closes debate regarding my remarks now. I would be less fair if I didn't point out to the Assembly that for some time Lethbridge city has depended upon its markup

on the power it buys from TransAlta and markets in the city, to offset other expenses incurred in the city. In that way, it assists the ratepayers of the community of Lethbridge to a very great degree. Presently Lethbridge community — and I thank my mayor and council for this information — has been generating revenue of about \$12 million a year out of their markup system. Of that, they've netted over \$2 million, plus all the needs for the community of Lethbridge. In other words, city needs have all been met, and they made \$2 million profit. Two million dollars' profit is a pretty significant amount to offset taxes the city raises otherwise.

So naturally, Mr. Speaker, a concern of mine has to be looking to the future. It's fine to say that the wholesale cost will not dramatically change over a given period of time. No argument. But recognizing that Lethbridge city depends to quite a fair degree on that markup, the net cost to the consumer and the static obviously generated by those consumers are factors I, as well as city council, have to be concerned with. I'm quite prepared to assume that, based on things the minister has said tonight: that there's a phase-in period over five years. When we recognize that the projected costs I've been able to establish from information from the minister are 10 per cent over the five years, that's almost negligible. What happens after that is, I guess, a matter my successor or other successors are going to have to discuss. So I think that part, that the minister is recommending in this Bill, to offset any sudden shock is more than adequately fair, particularly as Lethbridge city raised its rates 20 per cent last month. People no longer think in terms of 2 or 4 per cent. They now go by fractions, one-fifth. I assure the House that that's a very significant amount for many people who live on fixed incomes.

Naturally I'm very pleased to see that this is not going to increase dramatically over the so-called short term as a result of this legislation.

For a long time, I have objected to the policy we have in this province of selling booze free, in terms of transportation costs. In Fort Chipewyan, it's the same price as in Edmonton. If you can't wait for delivery, as you know, you simply write a letter and they'll mail it to you. I have long opposed that in terms of ... [interjections] I don't know whether the Member for Calgary McKnight gets his by mail, but ...

MR. MUSGREAVE: I make it.

MR. GOGO: I recognize that if those living throughout parts of the province are to be able to compete on an equal basis ... For example, I look at the present cost of power in northern Alberta. The information I have is that it's two to three times higher. I guess the only compensating factor is that telephones are cheaper.

Therefore, let me just close with this note of caution. In Section 16 of the Bill, where the cabinet may, and undoubtedly will, make regulations, under 16(2)(g) and (i) for the minister's attention — he may wish to comment again in closing debate — the marketing agency, which for some reason I think should be called the commission, will be able to identify a public utility required by law to sell power to the agency, and (i) then to exempt the utility. I appreciate very much the fact that this is not carved in stone. I can imagine where for various reasons, if you carve it in stone, we in this Assembly would have to bring it back here to change, whereas we may be able to use some degree of ... [inaudible]. ... power in caucus to persuade cabinet to amend those regulations. I appre-

ciate that, because I don't think it's fair to put in statute today that for all time this must happen this way and that must happen that way.

So, Mr. Speaker, in principle I support Bill 92, the Electrical Energy Marketing Act, subject to those quasi-caveats I've shared tonight in the House as to the way it may directly affect the constituencies of Lethbridge West and Lethbridge East. Thank you.

MR. D. ANDERSON: Mr. Speaker, I'd like to participate briefly in debate on this very important Bill, and say initially that I support the concept of the marketing agency for two main reasons. The first is that I think it is fair and equitable to try to distribute rates equally across the province, particularly since there are citizens in our province who pay twice as much as people in other parts of it. I think all Albertans would see the equity in that and would want to move toward that particular concept. The other reason, from the point of view of the citizens of Calgary Currie, is that to a significant extent this may well encourage decentralization within Alberta, to disperse population to those places where it logically will go rather than perhaps locating in the city of Calgary, in my particular case, where we're already faced with great problems as a result of the impact of rapid growth in terms of transportation, social difficulties, and other such services which are strained at this point in time.

I'd also like to congratulate the minister on recommending a phase-in period of five years. Without that phase-in period, I believe it would be very difficult for citizens of Calgary to accept this at first glance. Because there is no doubt that over some time it will cost the citizens of that particular city and the people in Lethbridge, as indicated by the Member for Lethbridge West, more than it would cost without such a marketing agency.

I would support the call by other members this evening for consideration of perhaps a longer phase-in period. I say that because at this point in time, Calgarians are faced with the problem of dealing with rapid growth, with increasing costs in housing and other areas. Over a five-year period, I hope that will disperse. But there may well be the need at that point in time, if not at this, to consider moving towards the kind of time frame talked about by some of my Calgary colleagues, in terms of perhaps a decade rather than just a five-year period.

However, having made those brief comments, I support this concept, wish the minister the best of luck in implementing it, and say as well that I am glad we've moved in this direction and not in the direction of public ownership of utilities. I still believe that despite the fact that at different times government has to be involved in industries such as this to varying degrees, the private sector has certain abilities that government just cannot have. Indeed, I'm sure this is a replacement rather than a move towards the concept of public ownership.

Having made those comments, and asking the minister or his successor to seriously consider the possibility of extending that phase-in period, I urge members to support this particular Bill, Mr. Speaker.

MR. BORSTAD: Mr. Speaker, I felt I must rise to support Bill 92 this evening, as this Bill has great advantages for rural Alberta and the part of the province I come from. I must compliment the minister on bringing forward this piece of forward legislation that is one of the most important parts of this session, possibly many past sessions, and even some future sessions as far as a Bill is

concerned. It has great ramifications for the part of the province I come from.

Northern and rural residents have always paid much higher power rates than other areas of the province. In speaking to this Bill, I can see the advantages of it. The agency, acting as a broker, can buy and sell power across the province and naturally establish a uniform rate. This uniform rate will assist balanced growth and financially assist those areas of the province that have suffered under high rates. It has been proven many times in the past that power rates and other costs of living in northern Alberta have been extraordinarily high. This Bill will bring those higher costs down.

The other advantage I see in the agency is that it will be able to buy and sell power. I can only think of places like Proctor & Gamble, that at times have excess power. I think they would be only too happy to be able to get rid of that power or sell it into the grid. This will help in two ways: it helps the people producing that power, in some financial return for sale of that power; plus it assists the power supply for the province. As we move along, we're going to have more and more need for power plants at the cost of building them today. By having the umbrella agency or wholesale power and the infusion of funds, I am pleased to see we'll hold the rates down in those areas of the province that have always had fairly low rates. I'm pleased to see it's not going to affect anybody that seriously.

This agency can also import power — and I think that's quite important — and sell across provincial borders, as the minister has mentioned. Through its buying and selling, and through establishing equalization of rates, this agency answers some problems that the REAs have been complaining about, in establishing lower rates for the farming community.

Therefore, I support the principle of Bill 92 in second reading and urge all members to do the same.

MR. R. SPEAKER: Mr. Speaker, before calling the question, I'd like to make a few remarks on Bill 92. I recall my first election in 1963, when the major opposition to the Social Credit Party was the Liberal Party. One of the planks in their platform was public power. I remember arguing on many platforms and in many local halls against public power. I still hold to that position. I can say, thank God the minister as a good conservative — hopefully, as small "c" conservatives in this province, we haven't violated principle too much, although there is a little tinge; maybe we could say "pink Tory". That's as far as I'd go this evening with regard to that.

What am I concerned about, though, in the Bill? First of all, I'm not sure what the impact is across the province. I haven't heard anything from any of my constituents. I haven't had the opportunity of discussing the Bill with my constituents. It was introduced in this Assembly on November 16. We had some rumors that something might be coming in, but no one knew the format. Now it's November 26, and 10 days have gone by, one week-end. It's a little difficult for me and all the people in this Legislature. It doesn't give any time for Albertans across this province to really react and say they are willing to accept an agency like this.

Tonight I've heard many members say, I'm for it, I believe it's good. I've listened to a couple of members and noted a hesitation in their voices. For example, the Member for Lethbridge West had some questions and wasn't sure what the impact was. The hon. Member for Calgary Forest Lawn had some questions and said, look,

let's subsidize the program just a little further. Those questions are there, Mr. Speaker, and the minister should recognize that.

I guess I'm calling for support of the proposition made to the Assembly by my colleague: let's hold it until the spring session, or until the end of this session — it might be into March 1982. We can discuss it again at that time. Let's not rush it through committee. A good thing to do would be to have a second discussion, answer a lot of specific questions about the Bill in committee, and consider holding it until the spring session.

Why do I say that as well? My colleague has raised the question: who was asking for the Bill? Utility companies seem to be satisfied. I'm sure it's not going to cut into their profit picture, because they still make application, as I understand it, to the Public Utilities Board, in terms of TransAlta and Alberta Power. So I don't see them concerned in that situation. They do lose the opportunity of determining the price to their consumer, although — and I'd like the hon. minister to correct this thought if I'm not accurate — under this program I understand TransAlta, for example, produces the power, the agency we're establishing here would buy the power, a price would be set as an average across the province, and the power would be sold to TransAlta, who in turn then would set a price to the consumer as agreed by the Public Utilities Board. Now that's in terms of the investor-owned utility in the province.

Now let's take the municipally owned power generating facilities in this province, in terms of Edmonton and Medicine Hat. In that situation, the local authority there would generate the power, the agency would, as I understand it, not intercede in those cases, or may intercede. Following that, the power rate to the consumer would be established by that local municipal authority. When I look at that, and look at one of the objectives of this Bill, to have equitable rates across the province or to reduce rate differentials, I'm still not sure whether we have control of rates across the province. We could have different rates in Lethbridge. The Member for Lethbridge West set out very clearly that up to this time, the city council has been able to gain a profit of some \$2 million in Lethbridge. They will want to continue that. Under this Bill, they still have the authority to set the power rate to their consumers. Medicine Hat will have the right to do that.

This is the question I raise with the minister; maybe I misunderstood the minister. If TransAlta delivers the power to the consumer, the Public Utilities Board would still set that final price to the Alberta consumer. So we still could have significant inequities across the province of Alberta. That's quite possible. I don't see control at the other end, other than the politics of the consumer in the province of Alberta. I'd appreciate the minister commenting on that. We don't know that, and I think that would be just another argument for us to delay passage of the Bill in this session unless, as I say, this session goes on until March 25 or March 31, 1982. Then I'd have a little bit of time somewhere in there to consult with Albertans, and specifically my constituents.

The next point I'd like to make in my case of delay is that the matter has not really been dealt with in terms of the Alberta public. The hon. Member for Drayton Valley indicated that the caucus committee she is a member of has talked to the REAs and had discussions with the utility companies in terms of TransAlta. I'm not sure whether or not she said Alberta Power, but I believe so. I'm not sure whether she mentioned Edmonton Power or

Medicine Hat Power, but I don't believe she did. Certainly those are the vested interest groups to talk to.

But what about the consumers in Alberta? I'd have to make a quick estimation, but in Alberta I'm sure there would be 400,000 to 600,000 consumers of electricity in various forms. They have not had any opportunity in these 10 days, or in the last two and a half years, to really say, I am satisfied that that will deliver a proper rate on my power bill for me; I'm satisfied with this kind of agency for government. They haven't said, I agree that for the next five years the government can subsidize it, and after five years we're on our own. They haven't been able to say that.

From my experience in this Legislature, once you start to subsidize any program from government, you'd better be prepared to make a long-term commitment. The minister has not explained clearly what happens when you withdraw \$100 million per year from the program. All of a sudden we have a point where there is a significant decrease in input from the government. The slack at that time — because the utility companies, or whoever is the deliverer of the service to the consumer, will want to make a profit. As far as I'm concerned, the government is committed to an ongoing subsidization of the program. I think the government should admit that at this time. If they're not going to, then it should be clearly said to Albertans that after five years that will be the final amount of subsidization you get, and that's it. But that should be open to public scrutiny and decision.

As well, I look at the implications for this Legislature. In passing this Bill, we're committing ourselves to \$100 million a year. I can remember in 1970, as a minister of the government preparing the budget for 1971, I had to fight and scrap like mad to get \$3 million extra for my budget. We had no extra room in the budget. But this government that started the spring session of the Legislature this year with a beautiful concept called "lower expectations", very easily commits to \$100 million. Maybe it's right; I don't know. But there's been no discussion in the public about it.

Here we have 10 days, committing ourselves to \$100 million; we might have had lots of caucus discussions, but they've got nothing to do with the public. I haven't heard any the members on the Conservative side going out to their constituents and talking about the implications on the constituents. [interjection] Well, stand up and make your speech about how you talked to your constituents. The hon. minister shakes his head. Fine. After I sit down, stand up and tell me what you did and who you talked to. [interjections] Well, I haven't been given the data.

There was talk about a two and a half year study on this thing. Has it been tabled in the Legislature? Has the minister tabled the statistics as to the effect, the implications, and the forecast? I heard — and I don't know whether the rumor is correct — that the deputy minister of the department said these forecasts and some of these projections will be tabled after the Bill is passed in the House. The minister can correct that if it's not accurate. But where are those forecasts?

I looked at the document tabled tonight. It talks about power generation, the use of coal and various methods, that within some 30 years one-third of the coal reserves — I believe it is — the strippable coal, will be used to generate power. That's partly good information, but what are the projections in terms of power costs and the implications across the province? What are those forecasts for the next five years, for the next 10 years? I haven't seen that in any public information. If it is

available, I'd certainly like the minister to tell me about that. If the people have had access to it, fine. But I haven't seen that kind of sophisticated study with regard to the matter.

Other points raised here were in terms of decentralization and balanced growth in the province. This is one of the key factors on which this program is being sold. When we rationalize the power rates, when we build in this equity, and when we have reduced rate differentials in the north country — the hon. Member for Grande Prairie spoke highly of the Bill, hoping that when the rates of power are reduced in the Grande Prairie area, industry is going to move into that area. Well, from many studies that have been produced, the cost of power as a reason for an industry moving to a certain area is usually 15th to 18th on the list. It's way down the list. So, to say that that is a major reason for this Bill being placed before us at this time and rushed through the House — because most people here think the House will end in a few days, so that's the object of it. I can't understand that, because that isn't a good valid reason. It isn't one proven by many studies and much research. So that as well doesn't really hold water.

The cost of the program: the minister tries to sell the program on the basis that he's only hiring a staff of eight. That's eight people, and the question I raise is: who are they? What kind of expertise have they? Has the department the kind of expertise to put this kind of agency together? Are they good purchasing agents? Have they that kind of experience? Those questions haven't been answered in this Legislature.

But I think the real cost of this program, in terms of tax dollars we're responsible for, is \$100 million. We're committing ourselves to \$100 million in 1982-83, which means an equitable sum will have to be placed in the budget after that, as far as I know. We've never been told whether it's going to be a reduced sum after that time. Albertans should know that before we pass the Bill. We in the Legislature should know that. I get tired of this government saying in this Legislature, well, next year we're going to spend \$100 million, never doing over one-year projections in expenditure. You know, maybe this is one place where a five-year expenditure would certainly be very worth while.

Mr. Speaker, in terms of the unknowns and the lack of communication and information that has gone to Albertans, I think there is only one way to handle this Bill; that is, to hold it until the spring session. I think it would be unfair to rush it through now and try to implement it in spring 1982. Certainly all the possible effects on Albertans, in terms of power rates, in terms of effect on the utility companies — maybe it has all been considered; I don't know. But I think it would be a little unfair.

Mr. Speaker, my only support for the program is that maybe it's a good idea; maybe it isn't. If those questions aren't answered, I don't know how I could support the Bill on the basis of information I and Albertans have at the present time.

MR. MOORE: Mr. Speaker, I'd like to make a few comments on the Bill put forward by the hon. Minister of Utilities and Telephones. First, in reference to comments we've just heard from the hon. Leader of the Opposition, they are no different than others we have heard in the last several days. They contain nothing of substance, no alternatives, no suggestions of what can or should be done to improve the situation with regard to the delivery and

sale of electric power in this province, but only a request for delay.

To indicate how foolish that request is, in terms of the way it was placed, I would like to refer the hon. Leader of the Opposition to the events in this Legislature during the course of the 10 years I have been part of it, but even before that, and perhaps take the hon. member back to 1970. In April and May of that year, a very major increase in power rates occurred in the area served at that time by Canadian Utilities, the forerunner of Alberta Power in that portion of the province. That resulted in numerous, I've understood hundreds of letters to the then Premier the hon. Mr. Strom, protesting the fact that Social Credit had done precious little, in fact nothing, for the past 35 years to improve the situation with regard to the equity and fairness that should exist with respect to delivery of natural resources throughout the province. That was 11 years ago. On March 9, 1972, I as the member for the constituency of Smoky River presented a resolution, seconded by the hon. Member for Lloydminster and debated in this Legislature, that suggested we ought to investigate the feasibility of a provincial power grid so power rates in this province could in fact be evened out. I just mention those events. The hon. Minister of Utilities and Telephones has of course mentioned numerous other occasions when this Legislature has had an opportunity to debate this matter. I can only conclude that the reason there was nothing of substance in the remarks of the hon. Leader of the Opposition is because his one leader is out of the House at the present time and his other one is in Calgary, where he usually is, and he hasn't heard from either of them tonight.

Mr. Speaker, there is no question that the proposal presented tonight by the hon. Minister of Utilities and Telephones with respect to the averaging of electric power rates in this province by way of a provincial marketing board, has been well thought out and is a compromise between what some would suggest is the answer — public ownership of all our utilities — and the status quo that some would suggest we continue.

I want to make these comments about the fairness of what's being proposed. If it is fair that people served by Calgary Power with hydro-electricity generated from the natural resources of this province that exist in areas far beyond the city of Calgary, far beyond the city of Lethbridge or other areas served by Calgary Power — if it's fair that those natural resources be allocated singly and without regard to the rest of the province, it is fair as well that the balance of the natural resources in this province — the royalties from crude oil and natural gas that come from the constituencies I and the hon. members for Grande Prairie, Drayton Valley, and many others in this province represent — be allocated in the same way. I mention that because quite frankly what we have in this province, in most all areas that are of this nature, is a system of fairness and equity of sharing in our natural resources. It may be the good fortune of the people who happen to be served by Calgary Power, but it isn't necessarily fair, that that company was allowed to develop hydro-electricity on the best hydro sites available in this province.

I could go on at length to describe the situation that resulted in increases to the rates charged by Alberta Power because the service areas of Rainbow Lake, Wabasca, and a whole host of other resource areas in this province were allocated to Alberta Power or Canadian Utilities. They had to build very expensive lines into those areas to bring natural resources out for the benefit of all

Albertans. The people who paid for that increase in cost to that company were that company's customers. That has been a patently unfair situation that has existed in this province for many, many years.

The answer obviously doesn't have to be public ownership of power. It can be the concept presented tonight, which allows public and privately owned utilities in this province to continue to develop and manufacture electricity. But also, Mr. Speaker, as the hon. minister said in his opening remarks, allows other entrepreneurs in Alberta to get involved in the manufacture of electricity, and involves us with an opportunity to deal with the people of Manitoba in the purchase of their hydro-electricity, or perhaps in the Peace River country, Mr. Speaker, to deal with the province of British Columbia in the purchase of hydro-electricity from them. I fully support Bill No. 92, and look forward to the discussions we'll have in committee study and to the ultimate bringing into law of this legislation.

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

HON. MEMBERS: Agreed.

MR. SHABEN: Mr. Speaker, I appreciate the members' contributions to this debate on Bill 92, the comments and quality of the debate. The matter has been close to me for the past two and one-half years, in terms of development of the concept and refining the information and, as the hon. Member for Drayton Valley indicated, in working with the caucus utilities committee as well as with full caucus. The work of officials in the department over the two years, and the co-operation of the utilities, the Public Utilities Board, individuals in the Energy Resources Conservation Board, and the city of Edmonton, have been really important in developing and fine-tuning this Bill, and putting it in a form that could be brought to the floor of the Legislature.

In my introduction to second reading, I think I mentioned that implementation is an important aspect of this particular piece of legislation. We have established an implementation committee that has been working and, over the next four months or so, will work to make sure the system works effectively. Our plan is that there should be some dry runs so we're sure the system works.

There were a number of questions, and I'll deal with them briefly if I can. I appreciated the comments of the Member for Bow Valley. With respect to water, I'm interested in the use of the rivers of the province for generating electricity and, as the hon. member knows, work has been done and is ongoing on the Peace River and the Slave River for generating electricity.

The member had concern with respect to input from citizens. The input has been significant over the years. The members for Smoky River and Drayton Valley referred to it. I'd like to comment, too — and this is important for the Leader of the Opposition to know — that in the mid-60s there was considerable input to the previous administration. The government at that time did what they normally did. They set up a commission, known as the Burton commission. The Burton commission studied it, and the study is sitting somewhere in the library gathering dust. This government is a little different; we act. This is one thing we're doing with Bill 92, rather than burying studies on dusty shelves.

Mr. Speaker, the Member for Drayton Valley raised the issue of co-generation. That issue was also raised by

the Member for Grande Prairie. Co-generation means the use of surplus electricity that can be generated, say, in forestry operations, the burning of methane from garbage, or that sort of thing, and the opportunity of using this surplus energy to conserve other sources. There is a limited capacity in the legislation for the use of surplus quantities of energy. We would like to work with the utilities to develop the ability to use waste energy and work it into the grid. But there's an important aspect of this occurring over a period of time; that is, you have to be able to market the energy.

The Member for Drumheller referred to wind power. The thing about electricity is that you can't store it. The planning of the generation and transmission is geared to fill the needs of the consumers. So part of the work of the implementation committee, and optimum use of our resources, will be to work toward co-generation. Two years ago, in the course of examining a solution to this problem, I spoke to the Minister of Energy and Natural Resources. He has instructed the department people to look at ways we can develop co-generation. It can be achieved with the marketing agency, but it would be over a period of time.

The Member for Calgary Forest Lawn, the Member for Calgary Fish Creek, and the Member for Calgary Currie raised a number of important questions. First of all, with respect to the subsidy. As I explained when introducing second reading, the intent of the subsidy was to offset the effects of pooling. The Member for Little Bow made a comment about an expenditure of \$100 million. We expect that in year one, approximately \$100 million would be required so that the rates of those communities presently enjoying the lowest rates would not rise as a result of the implementation of the agency. It would allow for a five-year phase-in.

The suggestion that it be longer: I appreciate the representations of the Member for Calgary Forest Lawn, but it's difficult for a government to commit a future government beyond five years. We believe that a five-year commitment for the phase-in, along with a move toward economic dispatch, will provide smooth transition from the present system to full implementation of the marketing agency.

The Member for Calgary Forest Lawn alluded to differences in figures. Our calculations indicate that at the end of five years — that would be March 31, 1987 — a Calgary residential consumer would be paying about 8.5 per cent more for electricity with the agency than they would without it. I believe the Calgary figures are 13 per cent.

On introducing second reading, I indicated that there is a capacity for those cities that distribute power to set their rates. That capacity will continue to be there. They set their rates based on different classes — whether residential, commercial, or industrial — so the impact on a particular class of customer depends on the manner the city chooses to set rates. So it's difficult to be precise in terms of what may happen, because it depends entirely on what a city council chooses to do in structuring rates. In terms of our assessment, the gross effect on Calgary consumers at the end of the five-year phase-in period would be an 8.5 per cent increase over what it would be otherwise. I'm sure the differences will be resolved as we work with the implementation committee over the next number of months, and the clarification of the basis of these differences.

I think the Leader of the Opposition asked for clarification on rates and how they're set. I thought I had

explained that initially, but it might be useful to repeat it. The city of Edmonton would be an example. The city of Edmonton transmits and distributes electric energy. They will continue to do so. However, the generation and transmission portion would be regulated by the Public Utilities Board, and a determination of the revenue requirement would be made by the PUB. The distribution within the city, and the rate setting, would continue to be the responsibility of the city of Edmonton, as it is in the cities of Calgary and Lethbridge.

The Member for Lethbridge West made eloquent comments about the importance of that distribution system to his city, in terms of the revenue the city receives. I believe the member used the figure \$2 million. That's an important source of revenue. One attractive feature of this Bill and this program, is that there's no interference with the capacity of the city of set rates within its corporate boundaries. That will continue. Had we moved to an alternative suggested by another member of the Assembly, that capacity would no longer exist. So there's no intention or provision in the legislation to interfere with the capacity of the council of the city of Lethbridge to set rates for various classes of customers. I just want to add further that the hon. Member for Grande Prairie, who is also chairman of the Northern Alberta Development Council, is well aware of the many briefs and representations the council has received on this important issue over the past seven or eight years.

We could probably deal in committee with the question raised by the Member for Lethbridge West with respect to Section 16, but I'll deal briefly with that capacity to exempt a utility. In examining the utilities — and I explained earlier that there are four generating utilities: Medicine Hat, TransAlta, Alberta Power, and Edmonton Power. The city of Medicine Hat presently enjoys the lowest power rates.

[Another minister crossed between the Chair and the minister speaking]

MR. SPEAKER: Order please. Might I draw the hon. minister's attention to the standing order with regard to interposing himself between a speaker and the Chair.

MR. SHABEN: Mr. Speaker, as I was indicating, of the four generating utilities, Medicine Hat has by far the lowest rate. Were the government to inject sufficient funds, on the implementation of this plan, to bring all the rates down to Medicine Hat's rate, it would be very expensive. So the option is there for Medicine Hat to join the pool. We've had discussions with Medicine Hat; they're considering it, even though it would mean their wholesale rate would rise as a result of pooling. However, that option must be there because they're a separate utility, and their rates are lower than Calgary and Edmonton. That capacity is in the Act, and it will be dealt with over the next number of months.

I mentioned the work done and the concern expressed about a lack of data. I'm sure this isn't a criticism by the Leader of the Opposition of the public service of the province of Alberta and the work they've undertaken over the past two and a half years on behalf of the people of Alberta. They've worked very hard. They've sought advice and information from the Public Utilities Board, the Energy Resources Conservation Board, the utilities, and the cities, in order to develop the material and bring this Bill to the floor of the Legislature. On behalf of the people of Alberta, they have done an outstanding job. I'm rather disappointed in the Leader of the Opposition questioning the capacity and the work of the public service.



MR. R. SPEAKER: Mr. Speaker, on a point of order. If the hon. minister will look at my comments in *Hansard*, he will see very clearly that I was making the case that the information found in the last two and a half years of work was not made public. I asked the minister whether that was accurate or not. If it wasn't made public, could it be made public so we could have it in the Legislature. That was the question I raised, Mr. Speaker. I think the hon. minister is misinterpreting, not intentionally of course, the words I spoke.

MR. SHABEN: Mr. Speaker, I think I've covered most of the points that have been raised in debate. I look forward to further discussion during committee study of the Bill, and again appreciate the contribution of the members of the Assembly. I therefore move that all members support second reading of Bill No. 92.

MR. PURDY: Mr. Speaker, I rise on a point of personal privilege and cite Standing Order 31 of our Assembly. Due to circumstances that I may have a pecuniary interest, I will not participate in the vote and ask that I be excused from the Assembly.

MR. MUSGREAVE: Mr. Speaker, I request the same permission of the Legislative Assembly.

MR. LITTLE: Mr. Speaker, I make the same request.

[Mr. Purdy, Mr. Musgreave, and Mr. Little left the Chamber]

[Motion carried; Bill 92 read a second time]

MR. HORSMAN: Mr. Speaker, before moving into Committee of the Whole, I ask unanimous leave of the Assembly to move Bill No. 67, the Alberta Hospital Association Act, 1981, from third reading to Committee of the Whole stage for minor amendments.

[Motion carried]

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

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

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of the Whole Assembly will please come to order for consideration of various Bills on the Order Paper.

#### **Bill 70** **Mental Health Amendment Act, 1981**

MR. DEPUTY CHAIRMAN: There is an amendment to the Act. I wonder if the hon. member would like to have any further comments or questions regarding the amendment?

DR. REID: Mr. Chairman, I think the amendment was mentioned in my remarks during the last discussion of this Bill in committee. It's only that "or their representatives" be added in Section 3(d) after "Manpower". Presently that section reads:

The Director of Mental Health, the Minister of Hospitals and Medical Care and the Minister of Advanced Education and Manpower shall be given notice and may attend all meetings . . .

It enables their representatives to attend the meetings of the provincial mental health advisory council.

Mr. Chairman, perhaps while I'm on my feet I might conclude some remarks that should be made in regard to previous committee debate of this Bill. First of all the two letters, to the Ombudsman and to Mr. Booth, the president of the Alberta Union of Provincial Employees, were tabled by the Minister of Social Services and Community Health. Perhaps I should read into the record the appropriate segments of those two letters. In the letter to Dr. Ivany, the minister stated:

That when introducing the Bill the Government will make it crystal clear that this Section will not be proclaimed until the Ombudsman is "personally satisfied" that the rights of the patients in these two institutions are adequately protected by the establishment of Board status.

In the letter to Mr. Booth, the minister wrote:

Regarding the role of the Ombudsman, Section 13 would not be proclaimed until the Ombudsman is satisfied that the proper safeguards are in place for the patients.

I think that that, along with the previous statements that have been made in the House, both by me and by the Minister of Social Services and Community Health, should be amply adequate to reassure members of the House of the intention of the government.

The only matter of significance that I know of that still exists is the possibility of proclaiming the Act in parts, one portion initially to set up the boards for the two institutions, and subsequently to proclaim the remainder of the Bill and withhold proclamation of Section 13, dealing with the Ombudsman's jurisdiction. Section 6 of The Interpretation Act, which was amended in 1980, makes it amply clear that:

proclamations may be issued at different times in respect of different portions of the enactment of the Bill.

With those comments, I would invite any other comments that members may have.

MR. DEPUTY CHAIRMAN: Are you ready for the question on the amendment?

[Motion on amendment carried]

[Title and preamble agreed to]

DR. REID: Mr. Chairman, I move that the Bill be reported as amended.

[Motion carried]

#### **Bill 85** **Labour Relations Amendment Act, 1981**

MR. DEPUTY CHAIRMAN: Bill No. 85 also has an amendment. Has the minister any comments regarding the amendment?

MR. YOUNG: Mr. Chairman, I'd just like to explain briefly the purpose of the amendment. In respect to the areas where the amendment will take effect, the Bill proposes a system for the governance of collective bar-

gaining for the first agreement after a union is certified. With respect to the construction industry, a system of registration is in effect. In a case of registration, the newly unionized employees and employers are automatically caught up in the prevailing collective agreement which applies to all unionized shops or employers in a geographic area. Therefore, the provisions of Bill 85 should not apply to the construction industry. In order to exempt the construction industry from their application, three amendments are necessary, by adding "except where the employer is affected by registration". That is the purpose of the amendment before us.

MR. DEPUTY CHAIRMAN: Are you ready for the question on the amendment?

[Motion on amendment carried]

MR. DEPUTY CHAIRMAN: Are there any further questions or comments to be expressed regarding any section of the Act?

[Title and preamble agreed to]

MR. YOUNG: Mr. Chairman, I move that Bill 85 as amended be reported.

[Motion carried]

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

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with relation to any section of this Bill?

[Title and preamble agreed to]

MR. HARLE: Mr. Chairman, I move that Bill 89, the Solicitor General Statutes Amendment Act, 1981, be reported.

[Motion carried]

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

MR. CHAIRMAN: Are there any questions, amendments, or comments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. KOZIAK: Mr. Chairman, I move that Bill 95, the Landlord and Tenant Amendment Act, 1981, be reported.

[Motion carried]

**Bill 96**  
**Cancer Treatment and Prevention**  
**Amendment Act, 1981**

MR. CHAIRMAN: Bill 96, Cancer Treatment Prevention Amendment Act, 1981, the hon. Member for Calgary North Hill. Are there any questions, comments, or

amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MRS. EMBURY: Mr. Chairman, I move that Bill No. 96, the Cancer Treatment and Prevention Amendment Act, 1981, be reported.

[Motion carried]

MRS. EMBURY: Mr. Chairman, on a minor point of order, I would like to . . .

AN HON. MEMBER: Major.

MRS. EMBURY: It possibly is a major item. I would like to bring to your attention that I am the Member for Calgary North West.

MR. CHAIRMAN: I am sorry. I apologize to the member.

**Bill 98**  
**Technical Institutes Amendment Act, 1981**

MR. CHAIRMAN: Are there any amendments, comments, or questions to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. HORSMAN: Mr. Chairman, I move that Bill No. 98, the Technical Institutes Amendment Act, 1981, be reported.

[Motion carried]

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

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any section of this Act?

MR. HYLAND: Mr. Chairman, just a few short comments. I hope that in this Act, the office furniture and equipment supplied to a member's constituency office will now be supplied out of some sort of allotment. We heard the Member for Calgary Buffalo talk about the problems he had obtaining furniture. I had similar problems. I won't get into that, except to say that I hope the furniture sent to MLAs' offices now will not be so-called leftover furniture from Government Services, i.e. surplus, i.e. furniture that nobody else wants. I don't think an MLA's office should be furnished with such equipment. A proper allotment of furniture should be available to furnish those offices.

MR. GOGO: With regard to Bill 99, I don't know why the Member for Cypress would want it any different than presently we have in the Assembly.

Mr. Chairman, I think members of the House would be indebted to the hon. Government House Leader for encouraging this type of amendment. I hope all members concur, as they agreed in second reading, that really the constituency offices required by members are simply ex-

tensions of the offices they operate in the Legislature Building here in Edmonton. I for one have found it has been extremely helpful to me in fulfilling my responsibilities as a member of the Assembly, as I'm very confident it has other members. Especially lately, the House may appear to be sitting year-round. Of course, that's not the fact. When we return to our constituencies on the week-ends, many of us have many appointments lined up as a requirement of serving our constituents. I know the Member for Cypress spends a great deal of time doing that. Obviously, the constituency office is very essential.

The amendment proposed to the Act very clearly spells out that those supplies and services necessary for hon. members to operate those offices have now been included within the parameters of what's supplied here in the Assembly. So I for one am extremely pleased that the Bill is going through. I want to commend the hon. Government House Leader.

MR. CHAIRMAN: Are you ready for the question on the Bill?

[Title and preamble agreed to]

MR. HORSMAN: Mr. Chairman, on behalf of my colleague the hon. Government House Leader, I move that Bill No. 99, the Legislative Assembly Amendment Act, 1981 (No. 2) be reported.

MR. DEPUTY CHAIRMAN: Having heard the motion by the hon. Deputy Government House Leader that Bill 99, the Legislative Assembly Amendment Act, 1982 (No. 2) be reported, do you all agree?

[Motion carried]

MR. HORSMAN: On a point of order, Mr. Chairman. You said "1982"; it's 1981 (No. 2).

MR. DEPUTY CHAIRMAN: I thought I said 1981 (No. 2).

**Bill 67**  
**Alberta Hospital Association Act, 1981**

MR. DEPUTY CHAIRMAN: There are two amendments to this Bill. Has the sponsor of the Bill, the Minister of Hospitals and Medical Care, any comments regarding either amendment?

MR. RUSSELL: Just by way of a word of explanation, Mr. Chairman, the first amendment, adding the words "regulating and" in front of existing clause 5(e), gives us a new clause 5(e). That amendment was requested by the Alberta Hospital Association on behalf of their solicitor and agreed to by Legislative Counsel, in order to make absolutely clear that they do have the right to bargain on behalf of their member hospitals.

The second amendment refers to clause 9(7), and it's merely a mechanical type of amendment to make clear that in the event the trustee on the board of Alberta Blue Cross has a vacancy occur prior to his term ending, and that trustee happens to be the one trustee who is appointed by the Lieutenant Governor in Council, then this amendment would take care of that particular mechanical situation.

[Motions on amendments carried]

[Title and preamble agreed to]

MR. RUSSELL: Mr. Chairman, I move that Bill 67, the Alberta Hospital Association Act, 1981, be reported as amended.

[Motion carried]

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

**Bill Pr. 2**  
**The Honourable Patrick Burns Settlements**  
**Amendment Act, 1981**

MR. DEPUTY CHAIRMAN: There is an amendment. Are there any comments by the sponsor of the Bill regarding the amendment?

MR. KNAAK: Mr. Chairman, I'll be moving the Bill on behalf of my colleague the Member for Calgary North Hill. The amendment proposed was a unanimous recommendation of the private bills committee. They're to make the Bill as proposed by the petitioners more consistent with the wishes of the actual will.

[Motion on amendment carried]

[Title and preamble agreed to]

MR. KNAAK: Mr. Chairman, I move that Bill Pr. 2, The Honourable Patrick Burns Settlements Amendment Act, 1981, be reported as amended.

[Motion carried]

**Bill Pr. 3**  
**The Dental Mechanics Amendment Act, 1981**

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MRS. EMBURY: Mr. Chairman, I move that Bill Pr. 3, The Dental Mechanics Amendment Act, 1981, be reported.

[Motion carried]

**Bill Pr. 13**  
**The Calgary Foundation Act**

MR. DEPUTY CHAIRMAN: There is an amendment. Has the sponsor of the Bill, the hon. Member for Calgary McKnight, any comments regarding the amendment?

MR. MUSGREAVE: Mr. Chairman, the amendment is that Section 6 is deleted, and would now read:

The Foundation is exempt from sections 6 and 146 of *The Companies Act*.

Section 20 is struck out. These amendments have been recommended by the private bills committee. After consultation with the petitioners, it was agreed that certain

exemptions previously requested were not necessary. In addition, some references have been corrected. Also, the request originally by the petitioners mentioned that The Perpetuities Act and the rule against perpetuities be made inapplicable to the foundation. This has been withdrawn following discussions between the petitioners and the Law Clerk. Therefore, I move the amendments to the Bill.

[Motion on amendment carried]

[Title and preamble agreed to]

MR. MUSGREAVE: Mr. Chairman, I move that Bill Pr. 13, The Calgary Foundation Act, 1981, be reported as amended.

[Motion carried]

**Bill Pr. 14**

**The Richmond Gate Trust Company Act**

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

DR. PAPROSKI: Mr. Chairman, on behalf of my colleague the hon. Member for Stony Plain, I'd like to have Bill Pr. 14, The Richmond Gate Trust Company Act, be reported.

[Motion carried]

**Bill Pr. 15**

**The North American Commercial Trust Company Act**

MR. DEPUTY CHAIRMAN: There is an amendment to this Bill. I wonder if the sponsor of the Bill, the hon. Member for Edmonton Mill Woods . . .

MR. PAHL: Speaking to the amendment, Mr. Chairman, the amendment simply authorizes the company to have a larger initial capitalization. It is amended in Section 4 by striking out "\$3 000 000 consisting of 300 000 shares" and substituting "\$6 000 000 consisting of 600 000 shares".

[Motion on amendment carried]

[Title and preamble agreed to]

MR. PAHL: Mr. Chairman, I move that Bill Pr. 15, The North American Commercial Trust Company Act be reported as amended.

[Motion carried]

MR. HORSMAN: Mr. Chairman, there is Bill No. 97, the Department of Education Amendment Act, 1981, which I had not listed as one which could be dealt with, but I believe that could be dealt with. I would act on behalf of my colleague the Minister of Education to move it through committee.

**GOVERNMENT BILLS AND ORDERS  
(Committee of the Whole)**

*(continued)*

**Bill 97**

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

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. HORSMAN: Mr. Chairman, I move that Bill No. 97, the Department of Education Amendment Act, 1981 (No. 2) be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of the Whole has had under consideration and reports Bills 89, 95, 96, 98, 99, 97, Pr. 3, and Pr. 14; and reports with some amendments Bills 70, 85, 67, Pr. 2, Pr. 13, and Pr. 15.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, I ask unanimous leave of the Assembly to take an extra step with respect to Bill No. 67, which has been dealt with in committee, and proceed to third reading of that Bill, along with the others, of which notice had been given earlier to the Clerk and members of the Opposition.

[Motion carried]

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

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

No.	Title	Moved by
55	The Wilderness Areas Amendment Act, 1981	Stromberg
61	Workers' Compensation Amendment Act, 1981	Diachuk
64	Environment Statutes Amendment Act, 1981	D. Anderson
67	Alberta Hospital Association Act, 1981	Russell

MR. R. SPEAKER: Mr. Speaker, would it be possible to know what will be on the agenda tomorrow morning? Could I direct that question to the House leader. I'm sure

he's just catching up on what has happened. If there isn't an indication, if an agenda hasn't been established, early tomorrow morning would be satisfactory.

MR. HORSMAN: Mr. Speaker, it would be my understanding that the House might deal with matters of supply and with my colleague the hon. Minister of Hospi-

tals and Medical Care, perhaps followed by the hon. Minister responsible for Workers' Health, Safety and Compensation.

[At 10:37 p.m., on motion, the House adjourned to Friday at 10 a.m.]

