

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Tuesday, December 15, 1981 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF BILLS

Bill 253

The Alberta Stock Investment
Fund Act

MR. D. ANDERSON: Mr. Speaker, I request leave to introduce Bill 253, The Alberta Stock Investment Fund Act.

This Bill moves to establish the Alberta Stock Investment Company, which would lend or guarantee the lending of money to private Alberta-owned corporations wanting to expand their operations through employee stock ownership. Preference would be given to those companies judged to further the diversification of the Alberta economy.

[Leave granted; Bill 253 read a first time]

head: TABLING RETURNS AND REPORTS

MR. SINDLINGER: Mr. Speaker, as a member of the select standing committee on the Heritage Savings Trust Fund, I wish to table this minority report on the trust fund.

MR. HARLE: Mr. Speaker, I'd like to file three copies of the RCMP agreement that was entered into on December 11, 1981.

MR. CHAMBERS: Mr. Speaker, I'd like to file with the Assembly the response to Motion for a Return No. 137.

MR. PLANCHE: Mr. Speaker, on behalf of the Minister of Energy and Natural Resources and myself, I'd like to file with the Assembly a copy of the Coal Slurry Pipeline Feasibility Study, 1981, by Fluor Canada Ltd., if I can lift it. This study establishes the technical feasibility of transporting Alberta thermal coal to the west coast by slurry pipeline.

MRS. LeMESSURIER: Mr. Speaker, I would like to table the administrative report of the 75th anniversary committee. This report outlines the purposes, the objectives, and the hundreds of activities which played a role in our 75th Anniversary.

MR. ADAIR: Mr. Speaker, I'd like to file with the Legislature Library the final report on the executive summary of the Homecoming 1980, Stamp Around Alberta program, a part of the 75th Anniversary.

MR. SPEAKER: Just before going to the next order of business, with regard to the tabling or purported tabling of the minority report, I think hon. members are aware of the standing order in that regard. It doesn't trouble me in any way; it's just that I wouldn't want to establish a precedent contrary to *Standing Orders*. I'll consider with the Clerk what we should do with the documents.

head: ORAL QUESTION PERIOD

Edmonton Annexation

MR. R. SPEAKER: Mr. Speaker, this being the last day of the Legislature, three or four questions which I'd like to raise with the government have been left dangling.

My first question is to the Minister of Municipal Affairs, with regard to the submissions made by Edmonton and St. Albert to the annexation hearings. I wonder if the minister has given consideration to the request of these two municipalities for the provincial government to reimburse them for the expenditures for the presentations made during the hearings?

MR. MOORE: Mr. Speaker, I wonder if the hon. member could clarify with respect to whether he is referring to presentations made to the Local Authorities Board or to the government.

MR. R. SPEAKER: Mr. Speaker, to the Local Authorities Board.

MR. MOORE: Mr. Speaker, the matter of the government of Alberta reimbursing municipalities for costs they might have incurred for both legal counsel and expert witnesses in the matter of annexation procedures has been considered, not just in connection with the recent Edmonton annexation question but with respect to other annexations as well. After the requests by the city of Edmonton, St. Albert, county of Strathcona and, indeed, others, it has been our decision that it would not be useful for the province to get involved in paying from provincial funds the costs incurred by municipalities in respect of annexation hearings. I think there's a principle involved that the hon. Leader of the Opposition could well understand, in that if we were to get involved in paying those costs, in my view there would be virtually no control over what those costs might be and it would lead to very extensive and prolonged hearings compared to what we know today.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. minister, in terms of the presentation to the Local Authorities Board by St. Albert. As we look through the Brennan inquiry minutes, we notice the comments of the hon. minister that one of the principles involved in the annexation was that the municipal independence of Sherwood Park and the city of St. Albert must be maintained. That information was known by the minister at an early date, but presentations to the Local Authorities Board by the city of St. Albert continued. The circumstances are unusual. Could the minister indicate whether any consideration would be given to the city of St. Albert, under circumstances which are unusual?

MR. MOORE: Mr. Speaker, as I have said to others, it's not my intention to comment in any way upon statements I or others may have made before the Brennan inquiry,

until such time as Mr. Justice Brennan has had an opportunity to provide his report to the Executive Council.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether government would give reconsideration to unusual situations that affect the presentation, the timing, or the amount of time put into a presentation by a municipality to the Local Authorities Board with regard to a matter of annexation?

MR. MOORE: Mr. Speaker, I can only say that the matter has been considered at some length in connection with both the Edmonton annexation and other annexation applications. I can only repeat what I've said in answer to the first question by the hon. Leader of the Opposition.

Impaired Driving

MR. R. SPEAKER: Mr. Speaker, a second question to the Solicitor General, with regard to the approaching holiday season, I think. I wonder if the Solicitor General has taken any special steps to stop or reduce the number of impaired drivers who may be on our streets and roads during the holiday season. Will there be implementation of a special Check Stop program of any kind which would assist drivers or potential drivers in getting other conveyances to their homes, rather than driving their own vehicles?

MR. HARLE: Mr. Speaker, I have to say that by using the Check Stop program, the police forces in this province have taken a very major step in exercising the opportunities available to them under the legislation. All police forces endeavor to ensure that these are widely publicized. I'm sure individual police forces see merit in encouraging alternative ways of getting home following the drinking of alcohol.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Solicitor General. It doesn't seem that any special emphasis will be put on for the holiday season. Could the minister indicate whether the department will carry out any special advertising campaign to encourage drinking drivers to stay off the road?

MR. HARLE: Yes, and it's showing at the present time.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Member for Lethbridge West, with regard to the AADAC ads and other ads. Is it the intention of the AADAC program to increase advertising over the Christmas break, with the objective in mind of deterring drinking while driving and certainly restraint in terms of drinking practices?

MR. GOGO: Mr. Speaker, yes and no. I wouldn't want the hon. members to be confused with regard to the goal of the present media campaign, which stresses to a specific target audience of young people a need for self-responsibility.

But at the same time, AADAC has launched an advertising campaign — if one could call it that; some advertising — to complement the role of the Solicitor General, with a view to saving lives over the Christmas season. That is presently under way, and my understanding is that it will be viewed publicly this weekend.

Water Management

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Transportation. It concerns reports over the weekend that the minister is still dreaming dreams of water diversion. With respect to diverting the Battle River into Buffalo Lake, a proposal that the minister has indicated shouldn't concern anyone, is the minister able to advise the Assembly whether or not at this stage that is simply a proposal of the minister or whether it has been actively considered by government? I raise that in the light of the Premier's comment on page 1921 of *Hansard* with respect to interbasin transfer.

MR. KROEGER: Mr. Speaker, it's not a proposal. It exists in the Saskatchewan-Nelson River basin study that was finished in 1972 and paid for by the federal government and the three prairie provinces. It's just an option that sits there.

MR. NOTLEY: Mr. Speaker, a supplementary question. Just so there's no misunderstanding, the minister is telling us that it is simply an option the minister prefers, but at this stage there has been no further consideration of the proposal by the government?

MR. KROEGER: There has been no discussion about the project or any other project since the debate we had in the House.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Environment. The Battle River basin study released by the minister's department in July lists water diversion from the North Saskatchewan and Red Deer rivers as necessary to meet the water needs of the basin by the year 2000. My question is: what is the current status of that study, and have any preliminary proposals been made to the department as a result of that study?

MR. COOKSON: I'd like to ask the hon. NDP member whether he's against moving water around the province, because we do a considerable amount of that at the present time. It's not a strange, new concept the member continues to raise; it's a procedure that's followed in terms of handling water and sewer problems throughout the province.

The question asked was whether, in fact, there has been a proposal. First of all, dealing with the Battle River being transferred into Buffalo Lake, there have been a number of engineering studies with regard to a transfer of water from the Red Deer River into Buffalo Lake. I can't conceive of the Battle River being transferred, but perhaps the member knows something more than I do. That's essentially where the study lies in regard to that.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. I'm just quoting from the minister's own departmental reports, which I'm sure he reads. On page 48, it says: "Diversion of water into the Battle system from the Red Deer and North Saskatchewan systems would be necessary to guarantee . . ." Then the rest of the comments are with respect to the question I put to the minister. However, the question I directed to the minister is: what is the status of this particular study on the Battle River?

MR. COOKSON: Mr. Speaker, we have several studies going on with regard to the Battle River system. It's a system which has a limited water supply. All our towns downstream of the Battle River, one might say starting from the town of Ponoka going east, suffer from problems of water supply. We'll continue to do studies whereby in some ways we may be able to retain the 85 per cent flow that leaves the province every spring; we'll continue to do studies to see if we can maximize the use of that water. I sometimes think the NDP member is against that proposal.

MR. NOTLEY: Mr. Speaker, it's rather interesting that we have an answer that solicits debate. I'm sure it would only be fair that further questions can have the same latitude.

MR. SPEAKER: I'm pleased that the hon. member has raised the question of fairness. I think we should recall that this series of questions began with some fairly naked sarcasm, shall we say, in asking the minister if he was still dreaming dreams.

MR. NOTLEY: Mr. Speaker, as long as it's dreaming dreams and not diverting water on a massive scale, that's fine.

I'd like to ask the hon. Minister of Environment whether or not at this stage the government is examining the question of diversion of the Battle into the Red Deer. The minister has talked about the needs of the towns, but has there been any review of the water requirements as a result of the future industrial development along the Red Deer. At this stage, is that a factor in determining whether or not diversion of the Battle through Buffalo Lake should take place?

MR. COOKSON: If I had my 'druthers', Mr. Speaker, I'd rather divert water from the Red Deer into the Battle River, because it's the Battle River that suffers from a major shortage of water supply.

As the member knows, we are constructing a major dam on the Red Deer River system, which will assist people all the way down the system in terms of water supply. An earlier study was done at one time to see if it were feasible to transfer water from the Battle River and subsequently through Chain Lakes, which would eventually find its way through the Parlby Creek system, I think, into Buffalo Lake. That was one of a number of studies done at one time, along with the one I just commented on, which is the study to determine the feasibility of water transfer from the Red Deer River to Buffalo Lake itself.

In most of these instances, we're not now talking about the so-called massive interbasin transfers that the member gets very emotional about; we're talking about supply of water for the people of the province. I hope the Social Credit members don't share the NDP member's [views] on this issue.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. As a consequence of page 48 of this particular study, has any consideration been given by this government to not just simply diversion from the Red Deer into the Battle but, in fact, diversion from the North Saskatchewan into the Battle?

MR. COOKSON: Mr. Speaker, when one is talking about studies which I assign the Department of Environ-

ment on occasion, on request from people throughout the province, the member seems to be against these kinds of studies. Whether or not they're initiated is one thing. But certainly studies on these particular issues go on all the time.

MR. NOTLEY: Mr. Speaker, a supplementary question. I'm glad the minister raised that sort of non-inductive-to-debate comment against studies, because my next question is to ask the hon. Minister of Environment whether or not the government is going to accept the proposal by the Science Advisory Committee of the ECA that the ECA commission studies on the cost/benefits as well as the social impact of water diversion. Is this a matter which the minister would see as an area of responsibility and initiative for the Environment Council of Alberta?

MR. COOKSON: Mr. Speaker, from time to time, we ask the Environment Council of Alberta to hold major hearings on areas of general concern throughout the province, and they do an excellent job. They don't particularly want to deal with specific issues.

I remember that question was asked with regard to the siting of the Dunvegan dam proposal. At that time, it was the feeling of the Environment Council that that would be a specific siting which they weren't really concerned about, but more in terms of the general concept. There is a distinct difference in the role the Environment Council might play in this regard. Generally speaking, when you're dealing with site specific we have our own environmental legislation, which requires an environmental impact assessment. That's the role that would generally be applied. Of course, other departments would be involved in any cost/benefit studies.

So as I say, there is a difference between the roles insofar as the Environment Council is concerned. I don't have any quarrel with the submission by the member, but perhaps that's better left at this point.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the minister. Specifically with respect to the proposal of the Science Advisory Committee of the ECA that the ECA commission studies on the cost/benefits as well as the social impact on the general issue of water diversion — I'm not talking about site specific but the general issue — at this point in time, would the government of Alberta look favorably upon the ECA conducting studies, as recommended by the Science Advisory Committee of the ECA?

MR. COOKSON: The member is posing a hypothetical situation, Mr. Speaker, because the Premier answered very clearly that we weren't interested in major diversion. So that issue is dead.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Transportation. It's with regard to the minister's statements to various groups in the province about the hon. Member for Bow Valley and me, indicating that we have blasted the government's water policy and that we're trying to discourage good water management. I wonder if the hon. minister could confirm those statements in the Legislature, where we can hear this and, secondly, cite the citations in *Hansard* that support those statements. Could the hon. minister do that, Mr. Speaker?

MR. SPEAKER: Order please. Possibly the hon. leader's concern could be expressed in a question of a different kind. That would take away a difficulty the Chair has with regard to a well-known rule with regard to question period: it may not be used to ask members to confirm or deny statements made outside the House. I'm sure the hon. leader has seen that in *Beauchesne* as often as I have.

MR. R. SPEAKER: Mr. Speaker, I know the hon. minister wishes to be accountable. It really concerned me when it was brought to my attention on the last day of the Legislature that we had blasted the government. It's a little tough to believe and understand that. I thought maybe I'd ask the hon. minister to confirm that kind of approach to our responsibility on this side of the Legislature. Could the hon. minister indicate whether there are concerns about the opposition's point with regard to good management of water, and what those concerns are?

MR. KROEGER: Mr. Speaker, I would be pleased to answer these questions outside the House, where I made my comments.

MR. MANDEVILLE: Mr. Speaker, could I ask the hon. minister a supplementary question. I know we shouldn't go back, but it relates back to late Monday night, when some of us could have been sleepwalking. Was the minister in the House? Did he hear the hon. Member for Bow Valley indicate that he wasn't against the diversion of water; he was for developing water on our present river basins, and then diverting the water down to the south? [interjections]

MR. KROEGER: Mr. Speaker, I was here and I wasn't sleepwalking. I was very aware of the Member for Bow Valley suddenly realizing the course he'd been led on by the Member for Spirit River-Fairview and scrambling back to get on board, even though it was irrelevant at the time, at about 3:30 in the morning. [laughter]

MR. R. SPEAKER: Mr. Speaker, to the hon. Minister of Transportation. At this time, does the minister support the concept of total water diversion from one area of the province to another? During the break of this Legislature, will it be the minister's intent to push forth the study that the minister initiated so well?

MR. NOTLEY: Carry on the campaign.

MR. KROEGER: Mr. Speaker, I'm only interested in good water management, without identifying rivers, water courses, or areas. The suggestion our report brought in covered the whole province and laid out very carefully a direction that this province could go. I'm as totally committed to that concept as I was then.

MR. COOKSON: On a point of order, Mr. Speaker. I'd like to know the position of the Leader of the Opposition with regard to this, because there seems to be a difference of opinion, specifically in an area that's very short of water.

MR. R. SPEAKER: Mr. Speaker, I didn't feel I had time to make a speech before the end of this Legislature. But now that that item has been raised on the agenda, I can move forward on that matter.

One, certainly it's historic that the Socred Party sup-

ports diversion of water in the province. Number two, we believe in controlling the waters in our rivers and we're not afraid to admit it, like some of the people in this Legislature.

MR. NOTLEY: That's right. Do it in the open. Public business in public. That's the issue.

MR. SPEAKER: Order please. Possibly we could dispose of the point of order, having regard for the context, by saying that it won't wash.

The hon. Minister of Social Services and Community Health, followed by the hon. Minister of Environment, wish to deal with matters raised in previous question periods.

Social Services Decentralization

MR. BOGLE: Thank you, Mr. Speaker. On Thursday, December 10, in response to a question, I indicated that as part of the department's reorganization and decentralization of decision-making, an executive director of institutions had been appointed and certain facilities and institutions were under that particular gentleman's purview. I inaccurately mentioned the Eric Cormack Centre in Edmonton as one such facility. That's not correct. I might add to the list of facilities that I did mention, Mr. Speaker, both Westfield and the Youth Development Center, here in Edmonton.

Reservoir Development

MR. COOKSON: Mr. Speaker, since it's getting close to Christmas time, I wouldn't want the members of the opposition to go away without some bad news. I want to add to the question the Member for Bow Valley asked yesterday about reservoirs larger than 25,000 acre/feet. Engineering is proceeding on an internal reservoir, known as the Crawling Valley reservoir, within the Eastern Irrigation District. In addition, in the Bow River Irrigation District, we are also doing engineering on the Badger reservoir. The total estimated cost at this time is at \$17 million.

Water Resources Pamphlet

MR. R. SPEAKER: Mr. Speaker, a question to the Premier. It's with regard to a matter we raised earlier in the Legislature about the pamphlet with regard to water resource development that would be distributed to school children. The Premier indicated that before the pamphlet was sent out or distributed across Alberta, it would be brought to the Legislature. Is that still the Premier's intent, and would that matter be retained until the Legislature resumes, possibly in the early spring of 1982?

MR. LOUGHEED: Mr. Speaker, if the pamphlet does proceed in the form raised in the Legislature, the undertaking is that it would be submitted in draft form to the Legislature before being communicated to the young people of the province.

St. Paul Lakeland Gas Co-op

MR. NOTLEY: Mr. Speaker, I'd like to put a question to the Minister of Utilities and Telephones. It's a follow-up to the question on the St. Paul Lakeland Gas Co-op. Last Friday, I believe, the minister said:

The overruns, in the neighborhood of \$700,000, were just over and above fair unit costs that had been jointly agreed to by the board of directors and the department.

Mr. Speaker, in light of the fact that the co-op officials don't seem to have any recollection of this agreement, or documentation of its existence, is the minister in a position to advise the Legislature what happened to that particular agreement?

MR. SHABEN: Mr. Speaker, in establishing unit costs for co-ops that undertake their own construction — and I should point out to hon. members that of the 100 rural gas co-ops, the vast majority do not undertake their construction work in that manner; most contract the work — there's considerable discussion between departmental officials and the co-op, and their engineers prior to settling on agreed unit costs. I would have to refer to the department to obtain the dates and times of those meetings, but I'm sure I'd be able to do it for all members of the Assembly. It's important to know that these discussions take some time and are carried on over an extended period.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. No doubt discussion occurred. The question is whether there was, in fact, an agreement.

Last Friday, the minister is quoted as saying:

In order for the government to allow capitalization and thus granting of the necessary funds ...

This is the \$700,000.

... it would have been necessary for the co-op to document and audit these costs thoroughly. That was not done

Mr. Speaker, in light of the fact that co-op officials state unequivocally that these costs were both documented and audited, why has the department failed to grant the \$700,000 owed the co-op for the 1980 construction costs? I relate that directly to the minister's observation last Friday. The co-op claims there was an audited accounting of it. What is the holdup now?

MR. SHABEN: Mr. Speaker, there seem to be some differences in our sources of information. The auditors who performed the audit for the St. Paul Lakeland Gas Co-op presented the report to the general membership of the co-op, and the general membership refused to accept that report. However, since the report of the auditor is public information, certain costs related to the construction were not audited, as I explained to members of the Assembly on Friday. It's as simple as that.

It's important for the hon. member to realize that the co-op's board of directors run the co-op. They manage it. The government does not run co-ops — it's not legislated — nor is it the government's intention to run the co-ops. Through our business management section, we assist the co-ops in providing advice.

Mr. Speaker, the system has worked very well. We have nearly 100 very successful rural gas systems that work within those parameters. There's a very generous grant program that provides capital assistance — in the case of St. Paul Lakeland, approximately \$6 million in provincial grants, compared to about a \$2 million investment by the members. I think it's important for the hon. member to understand the way the co-op system works, and the way the government interfaces with the co-ops. He doesn't seem to understand it.

MR. NOTLEY: Oh, I understand it, Mr. Minister.

So there's no misunderstanding, a supplementary question with respect to the \$700,000 the minister says was not audited or properly accounted for. The co-op advises me that, in fact, there was proper accounting and auditing. Is the minister saying that this \$700,000 was not properly audited?

MR. SHABEN: Mr. Speaker, I think I've said that on three occasions. The government commitment with respect to those co-ops that do their own construction is based on the same method of operation with all of the co-ops. We work with the consulting engineers and the board of directors to establish what are considered to be fair unit costs. In the case of St. Paul Lakeland, the consulting engineer indicated that the 1980 construction work would total approximately \$2.1 million. The co-op was advanced \$2.5 million. There were cost overruns, over and above the estimates and those amounts agreed to. Those costs were not properly audited.

MR. NOTLEY: Mr. Speaker, a supplementary question. The co-op claims there was an audit. Is the government's assessment that the audit was not adequate, that it was not satisfactory?

MR. SHABEN: Mr. Speaker, I've just indicated that even the general membership would not accept the audit at an annual meeting. Subsequent to that annual meeting, in three general meetings the general membership made certain decisions that the Member for Spirit River-Fairview seems to argue with. I don't think it's proper for members in the Assembly to argue with the owners of a rural gas system after they make their decision.

MR. NOTLEY: Just one final supplementary question. Is the minister able to confirm in the House whether the decision ultimately made by the members, on the basis of a recommendation, was in fact the consequence of representation made to the board by a member of the department?

MR. SPEAKER: The question is certainly not in order. In fact, there have been a number in this series that have not been in order. They have skilfully introduced extraneous matter, under the guise of a question, in order to appear to try to confront the minister with an apparent contradiction. This question is asking the minister to say what was in somebody's mind when they did something and, of course, just on the face of it is not in order. However, it's been asked. I suppose there's been an implication planted into *Hansard* now, and it would be unfair not to have the minister reply.

MR. NOTLEY: Mr. Speaker, on a point of order. I want to challenge one observation you made. The question was a very direct one: whether or not any representation had been made by an official of the department to the board. Mr. Speaker, regardless of what private views any member, including you, may have, I directed the question to the minister in a very simple, straightforward way without any imputation of motive whatsoever. I think it would be unfortunate if you impute a motive where, in fact, I want to make it clear in *Hansard* that there is none.

MR. SPEAKER: With great respect — and I'm certainly not going to continue to argue the content of that ques-

tion — the question related to what caused the co-op to make a decision. There was another part of it which related to a representation or recommendation to the co-op.

In any event, as I said, under the circumstances it would not be fair to prevent the minister from answering.

MR. SHABEN: Mr. Speaker, I answered that question on December 11, and I'll repeat it. The department provided the board of directors with a number of options. One was that the membership could provide additional funds to the co-op, in order to help alleviate the financial difficulties they were in. Another option was that the membership could provide additional funds, as well as raise the natural gas rate to the consumers. Another one was a straight increase in the gas rate, in order to cover the servicing of the debt. Another one was that they not pay off the debt, and dispose of the co-op. Those four options, or variations on the three, were considered by the general membership at three public meetings. The general membership made a decision to liquidate.

Health Care Insurance — Doctors' Fees

MR. MANDEVILLE: Mr. Speaker, just before I ask my question, I wonder if I could ask you to take under advisement what I could do to have the flower vase there removed, without taking a little visit to Spy Hill before our next session starts, so that I could ask my question of the hon. Minister of Hospitals and Medical Care and see his face over the flower pot, or whether he's in the House.

MR. SPEAKER: It seems to me that the question, in passing through such an area of beauty, would only be enhanced. [laughter]

MR. MANDEVILLE: If I had a box to stand on, I would have no problems; but I don't.

Mr. Speaker, my question is to the hon. Minister of Hospitals and Medical Care. Could the hon. minister indicate what progress has been made in the negotiations between the Alberta Medical Association and the government?

MR. RUSSELL: Mr. Speaker, there was a regularly scheduled meeting last Friday which continued until about 8:30 in the evening, I believe. No agreement was reached at that time, and the two positions remain substantially apart at this time.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. What provisions is the minister making to take care of the situation which will happen on January 1, in which the doctors will be directly billing the patients? Is the minister looking at speeding up the application forms so that Albertans can get their medicare back immediately?

MR. RUSSELL: As the member is aware, Mr. Speaker, direct billing has always been legal in the province. In the event that an agreement is not reached by the end of the year and some doctors do directly bill their patients, I've been assured by department officials that they can cope with the applications by individual citizens. We'd be prepared to respond to that situation.

MR. MANDEVILLE: Supplementary question, Mr. Speaker. Under the legislation that doctors in the prov-

ince can opt out of the program, could the minister indicate if any doctors in the province have opted out of the health care program to date?

MR. RUSSELL: Mr. Speaker, we don't have opting-out legislation in Alberta and don't require that as a condition for what is called extra billing. So the direct billing would just carry on what is and always has been legal.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

150. Mr. Notley moved that an order of the Assembly do issue for a return showing for each of the last five years for which annual reports have been prepared (1977, 1978, 1979, 1980, and 1981).
- (a) the cost of design.
 - (b) the cost of printing,
 - (c) other costs directly attributable to the production of the report.
 - (d) the cost of distribution,
 - (e) the number of copies printed,
 - (f) the number of copies distributed,
- arising from the production of the following annual reports in the years noted above:
- (a) Alberta Home Mortgage Corporation,
 - (b) Alberta Housing Corporation,
 - (c) Department of Housing and Public Works.
 - (d) Alberta Opportunity Company,
 - (e) Alberta Heritage Savings Trust Fund.
 - (f) Alberta Treasury,
 - (g) Alberta Agricultural Development Corporation.
 - (h) Department of Agriculture.

[Motion carried]

head: GOVERNMENT DESIGNATED BUSINESS

head: GOVERNMENT BILLS AND ORDERS (Third Reading)

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

| No. | Title | Moved by |
|-----|--|----------|
| 83 | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1981 | Hyndman |
| 84 | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) | Hyndman |

Bill 69

Alberta Heritage Savings Trust Fund Special Appropriation Act, 1982-83

MR. HYNDMAN: Mr. Speaker, I move third reading of Bill 69, the Alberta Heritage Savings Trust Fund Special Appropriation Act, 1982-83.

MR. R. SPEAKER: Mr. Speaker, I'd like to make two comments with regard to Bill 69. One, it is our intention on this side of the House, as the Social Credit Party, to support Bill 69. We believe there are a number of good programs in the Heritage Savings Trust Fund that must continue to receive support through this medium. During this Legislature, we have not in any way been arguing the negative aspects of any program. We certainly, then, want to confirm our support.

Mr. Speaker, the second point is with regard to our objective during the discussion of the Heritage Savings Trust Fund: accountability by the government, to assure ourselves that good management procedures and techniques are in place and to assure us in this Legislature and the people of Alberta that not one single dollar is unaccounted for and that it has been spent or directed in the direction given by this Legislature. The whole area of accountability will continue from this Legislature into the next Legislature.

It is my hope that not only the Provincial Treasurer but all other ministers in the Conservative government who are responsible for capital projects will re-examine their organizational structure, so that persons who are heavily loaded with the responsibility of the general revenue expenditures of this province will not take lightly their responsibility for the heritage savings trust funds, and that there are people and systems in place to assure us that there is good accountability. So I hope that between this fall session and the spring session, the government will look at those organizational structures, so that they can be beefed up to assure us of accountability.

Specifically, Mr. Speaker, I say again that it is my hope that the Provincial Treasurer will reassess his position as a minister of the Crown, and look at his guidelines for the presentation of documents and the documentation of various actions of the investment committee, to make those documents available to us here in the Legislature. I hope the Provincial Treasurer will reassess the position he has taken during this Legislature. It is a little too firm, it is not open, and it certainly doesn't support the concept of doing public business in public. We hope that by the spring session that attitude will change, on the part of not only the Provincial Treasurer but maybe all the other ministers. Open government is the most important thing to have, in terms of a democratic system in the province of Alberta.

With those comments, Mr. Speaker, I say again that we lend our support to the Bill. But certainly in terms of the administration, we hope there are improvements by the spring session.

MR. NOTLEY: Mr. Speaker, in rising to participate on third reading of Bill 69, I don't think there is any doubt that one of the major concerns people have — not just people in the Legislature but people throughout the province of Alberta — is with respect to the more important issue of the public's right to know.

Certainly, 30 per cent allocation of funds from natural resource revenues to the heritage trust fund is a crucial issue. But perhaps even more important than that is the failure of this government, in my judgment, to be accountable in the fullest sense of the word and, at the same time, to provide information the public has a right to receive, in terms of the management of money that belongs not just to the Conservative government but to all the people of Alberta.

Tom Paine once said that the greatest defence of liberty

is the common sense of the common man. Mr. Speaker, the common sense of the common man can't come into play unless that person has access to information that is not unreasonable but in fact is a right; a right that exists in other parts of country, in at least several provinces; a right that in two provinces information can be obtained as a result of a motion by the public accounts committee. Notwithstanding all the arguments presented by government members, I fail to see that the assurances the opposition has been requesting in terms of the management system — that this is somehow going to be the key that will unlock the safe. As I pointed out last night, the Auditor General's memo to the Deputy Provincial Treasurer shows, if anything, that rather than a safe there really is inadequate control. There is no game plan, no skillful procedure, methodology, and strategy, but in fact the whole operation from 1971 through February 20, 1981, was conducted in a very amateurish way. We didn't get the assurance from the minister yesterday, and I find that regrettable.

During the course of committee study, we also discovered that apparently the investment committee had only given cursory attention to this matter. The Premier couldn't even remember when that cursory attention had been given by the investment committee. A rather amazing admission was made by the Premier of this province, chairman of the investment committee, that somehow instead of taking under the attention of the entire committee and properly deliberating the impact of a loss of some \$60 million and a memo to the Deputy Provincial Treasurer implying that there's even the possibility of collusion and outright fraud — the possibility — the investment committee had only discussed it in a cursory fashion, so cursory that yesterday at 5:30 the Premier couldn't even remember the time, the date, or whether it was before or after the special select committee held hearings this fall. Mr. Speaker, that does not strike me as a very efficient way for the management committee to stay on top of the 30 per cent this Legislature is now being asked to consign to the Heritage Savings Trust Fund.

During study of the estimates, we discovered a number of interesting points. We discovered the amazing overruns in the Walter C. MacKenzie centre, from \$86 million to, according to the Minister of Hospital and Medical Care, a final figure which will exceed \$0.5 billion dollars: surely one of the greatest overruns in the history of public spending in this province; the greatest overrun, I suspect, of any example I can think of in my years in the Legislature. We have the much talked about example of Kananaskis; the overruns in certain airport facilities; and the situation with respect to the heritage library program, and the general faculty council newsletter saying that obviously instead of being used to supplement the library, some of this money was used to substitute for library funds which otherwise weren't available. Mr. Speaker, one has to ask where the management committee has been during these occurrences.

In concluding my remarks on Bill 69, yes, I think members will reluctantly and grudgingly support it. I intend to support Bill 69 on third reading. But I want to make it clear that we have not been given the kind of information which the public has a right to know. While many projects authorized under the terms of the heritage trust fund have merit, and it would probably be wrong for us to refuse to continue with those projects because of the inability of this government to deal in a realistic way with the accountability issue, nevertheless it does become a public issue. It becomes an issue that Albertans will

have to render a judgment on, not just in the confines of this Legislature but throughout the province of Alberta. Not only is it an issue of proper management of large sums of money, it's a question of whether or not public business is going to be done in public. It's a question of whether a government that is prepared to seize the first opportunity to take credit for everything that is going right is also going to be there to take responsibility when things go wrong.

In my view, it is incumbent on this government to recognize that the concerns that have been expressed by opposition members in the Legislature are not merely the concerns of a small group in the House, but represent the feelings of many hundreds of thousands of Albertans — I suspect the majority of Albertans, Mr. Speaker — who want to see this heritage trust fund that belongs to us all more properly accounted for in the first place and, in the second place, want to rip away that veil of secrecy which has kept the public from having the kind of information we need to know.

Mr. Speaker, other examples could be cited: the whole business of our Syncrude investment, and whether or not we are planning water diversion. It's interesting that in question period today, the hon. Minister of Environment talked about water diversion. Certainly, some interbasin transfer may well be in order, but there is a difference between that and the kind of massive water diversion which was clearly being given consideration before that cabinet committee meeting a few days prior to November 20.

Mr. Speaker, the point is not whether you go ahead with water diversion. The point is whether decisions on those major questions which involve billions of dollars of public funds, which are owned by all of us collectively, are going to be made in the open or behind closed doors; whether the discussions that occur with respect to the future of oil sands development are going to be done in the same way — behind closed doors — or whether the public is going to have any opportunity to have some input in that kind of investment.

Yes, Mr. Speaker, what is at stake in Bill 69 is more than \$1.9 billion. What's at stake is a whole approach to government, an approach which has been unnecessarily secretive. While there are always arguments of convenience for secrecy — there is no political party in the world that wouldn't prefer to do things behind closed doors — the test of a democratic society is to be able to do these things in the open, in public. It's going to be more inconvenient to do it. It's not going to be as easy to wheel and deal if you have to be accountable to the public as if you can do it behind closed doors. Mr. Speaker, this is a democratic society. This is a society that has a legacy of hundreds of years of privilege which has at its heart the free opportunity of people to participate in the process. To participate properly in that process, they must have access to relevant information.

Mr. Speaker, in dealing with Bill 69, I simply conclude by saying to members of the Assembly that beyond the question of the money is the issue of the approach of this government. I heartily recommend that this government in 1981 look back to those years when they were in opposition, and indeed even before they had a single member in the House, when they argued the case for doing public business in public. It was relevant and necessary in 1965 when the then leader of the Conservative party argued it as a party leader going from meeting hall to meeting hall, even before he had a seat in this Assembly. He was right then, but the same arguments

that were made with good effect in the '60s can be made just as strongly, relevantly, and accurately now.

MR. SINDLINGER: Mr. Speaker, I'd like to make a few concluding remarks about Bill 69, please. I don't intend to get into debate again, because over the last eight weeks we've covered the subject of the Heritage Savings Trust Fund quite extensively. I must say that during consideration of the capital estimates for the Heritage Savings Trust Fund, there were quite a few revelations with regard to the management of certain projects by the government. The first coming to mind, of course, is the W.C. MacKenzie Health Sciences Centre, and the other is Kananaskis park. The other more particular matter that was focused on was the net loss in the sale of marketable securities in the order of magnitude of \$60 million.

Mr. Speaker, in my opinion, the Heritage Savings Trust Fund has just undergone a five-year learning process. Looking at the projects which have been undertaken and the problems that have arisen, there is an indication to me that the government was not in a position where it could handle those things properly. The Auditor General's report indicated that there were deficiencies in the management and accounting systems, and that was demonstrated over the course of debate on the estimates.

Mr. Speaker, considerable concern was expressed by the opposition when the Auditor General indicated there was considerable scope for collusion which could result in fraud. In my opinion, the heritage trust fund concept is a good one. It has a sound basis. Also, those capital estimates have value and merit in their own right. I believe most members when they spoke to this issue over the last month pointed that out, and pointedly emphasized that their reservations were with regard to the management and not the concepts, the value, or the merit of each particular projects.

The heritage trust fund, Mr. Speaker, being an altruistic concept, should be above all suspicion. However, when the government has a penchant for keeping things secret, it does not enhance that objective. In my judgment, the explanations with regard to the net loss, amounting to \$60 million, in sale of marketable securities was not satisfactory.

As a member of the select standing committee of the Legislature, I've prepared a minority report on the Heritage Savings Trust Fund. This afternoon, I either tabled or filed it, depending on your ultimate judgment. The reservations, concerns, and opinions I have about the Heritage Savings Trust Fund are in that report. I say "opinions", because I recognize that that is exactly what they are. Almost every line in this report is an opinion that begs that the opinion be either substantiated or refuted. However, it's difficult to do that because of the way information about the Heritage Savings Trust Fund is handled. When almost 90 per cent of the fund is handled behind closed cabinet doors, that's not good enough.

Mr. Speaker, I think the money in the Heritage Savings Trust Fund belongs to Albertans, and they have a right to know what is happening to it. Today we have a crack of \$60 million, and that crack is going to lead to a break in the dam when the pressure behind it grows to over \$100 billion in the future.

I again wish to point out that I do not disagree or I am not at odds over the concept of the fund or the capital estimates we've been debating the last eight months. The issue has been the management, effectiveness, and efficiency of the government in carrying out those programs.

To date, I think they have been unsatisfactory in that regard, and the responses given by the government haven't satisfied the queries put to them over the last eight weeks. When this Bill comes to a vote, therefore, it's my intention to vote in the negative.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Thanks, Mr. Speaker. In concluding debate, I have to say that all through the stages of this very important Bill, which goes to the very essence of this province, I've been waiting. At second reading, through committee study, and third reading I've been waiting for the ideas, suggestions, and alternatives of the opposition with respect to the Heritage Savings Trust Fund. Of course, this is the Bill which provides the opposition of this province with the wide-ranging opportunity to put forward their alternative policies, to do their job, duty, and responsibility in terms of what ideas they have as to the future of the province and the use of the Heritage Savings Trust Fund.

MLAs in this Assembly are disappointed with the performance of the opposition in that regard, and indeed the citizens of this province are massively disappointed in the performance of the opposition in having not one new idea, not one suggestion, not one alternative. This is the Bill where Albertans are looking at the opposition and saying, all right, you say you're an alternative. Where are your points of view? Let's see what you would do with that heritage fund.

The positions of the government are well known. They're laid out; they're set forward. [interjections] I know it's very difficult for them to listen to this. The truth is always difficult. What we have to remember is that given the chance to speak out on their philosophy on the heritage fund, we haven't heard a single constructive suggestion from them. In this Bill, which has provided at least three debating occasions, at their option, I haven't heard from the opposition one positive recommendation, option, or alternative about the Heritage Savings Trust Fund or any of its divisions. They had the opportunity to put forward positions. They didn't do so.

MR. R. SPEAKER: We're so concerned about what you're hiding. Tell us what you're hiding.

MR. HYNDMAN: Where are the new ideas for public debate? I'd be a little embarrassed at some of the things I've heard from those parties at annual conventions too. Perhaps that's it. They're pretty embarrassed because their own supporters have said, now just a minute, we've seen some of those ideas; they're not financially realistic. That's why we haven't heard them all year or at any time in the fall session.

This Bill is really a look-ahead Bill. It's an opportunity for the opposition to say, all right, here's what we would do. But no, they have no ideas. There's really a vacuum, a stagnation. People of this province are going to remember that. They're going to say, we expect from the opposition of this province something in the way of alternative policies that can be debated, that are different from what the government is doing. Nothing. Stagnation, sterility of ideas, a vast wasteland in terms of constructive thought of any kind.

I or this Assembly shouldn't have expected anything

from one of them, singly, Mr. Speaker. But with this alliance of the new social democratic party, the social credit democratic party, maybe we should have expected at least something, together or as a duet, in the way of a new idea. But no original thinking; they've clearly abdicated their responsibility as legislators. They've abdicated their responsibility . . .

MR. SPEAKER: Order, please. I thought we had established on one or two occasions that perhaps only fleetingly we would direct our remarks to the arguments rather than to the characteristics of the members involved in those arguments. I would respectfully ask that we continue in that way, even though on occasion I realize there are strong temptations to do otherwise.

MR. HYNDMAN: Happy to do that, Mr. Speaker. I guess the real problem and the real gap that's going to be seen around the province is the counter proposals that are inherent in this Bill that could have been presented; for example, on such things as equity versus debt investments. All sorts of different approaches and policies could have been put forward. The government has ours. They've been put forward clearly. They're visible. They're public. We've heard nothing but silence. What about venture funding? What about diversification? Where are the other ideas in that regard? What about the heritage fund in mid-decade or in the 1990s? What about the trade-offs that have to be made, the difficult decisions between where the heritage fund moneys go? Nothing about that; total silence; nothing at all.

As we look back then, Mr. Speaker, we have to look at the accomplishments of this year in energy, the constitution, and agricultural support. But frankly, the opposition has lost its credibility. This debate and the fact of nothing new in this Bill 69 is nothing more or less than a searing indictment of the fact that the opposition, either collectively or individually, has nothing to offer the people of this province. Their approach to the heritage fund is a perfect example with regard to the matters they've been talking about from time to time. Despite the innuendoes, distortions, and opinions we've heard, there are three facts that Albertans know they've not been able to overcome. They've tried, Mr. Speaker, but they haven't been able to do so.

They're very clear. The first is the fact that there are no, and there never have been, hidden losses. The three annual reports of the heritage fund, going back to April 1, 1978, clearly talk about realized losses. Each of them talks about the net loss in the sale of investments. I might ask the hon. members of the opposition why they have been asleep at the switch for the last two years, suddenly discovering in the third year, months after these losses were mentioned, that there's such a thing as net losses. Of course, they haven't wanted to. They've all been there, they've been public, they've been visible: nothing hidden for three years.

Secondly, Mr. Speaker, the thing they haven't been able to get over is the fact that the Auditor General's seal of approval is on all the heritage fund finances in the last three years they've been discussing. As we know, the Auditor General is a chartered accountant. At the beginning of each of the financial statements, as a professional he makes a short statement that, having gone through all the documentation, "these financial statements present fairly the financial position of the Trust Fund". That statement is not made lightly, and the opposition knows it. The fact remains that in respect of each of the years

under review, the Auditor General of this province, as an independent man, has said that he has reviewed every aspect of the financing, opened every drawer, looked at every document, and he gives his seal of approval. [interjections] It's difficult for them, Mr. Speaker. I know they can't get over that problem. They must face it.

Thirdly, the independent Auditor General has found and has said on many occasions, as evidenced in *Hansard* and the committee reports, that there is no evidence of a dollar missing from that fund. Not even a dime is unaccounted for. There is no evidence of fraud, theft, or collusion. That's what the independent Auditor General has found. That's what he has said.

Those three items — the fact that there have never been any hidden losses, that the Auditor General's seal of approval is on all the financial statements of the heritage fund since its inception, and that the independent Auditor General has found that there is no evidence of anything seriously wrong with the heritage fund; nothing missing, no fraud — very clearly indicate that these are the facts which enable the people of this province to pierce through the innuendo we've heard over past weeks.

To conclude, Mr. Speaker, in moving third reading of this Bill, I simply say that it is an important Bill. It was the opportunity for the opposition to put forth to two million Albertans their alternative suggestions and proposals. We heard nothing. It's indicative and symbolic of a year of failure for a negative, carping opposition, and a year of success and achievement for a look-ahead government.

[Motion carried; Bill 69 read a third time]

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

[Mr. Speaker left the Chair]

head: ROYAL ASSENT

SERGEANT-AT-ARMS: Order! The Honourable the Lieutenant-Governor.

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

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

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

| No. | Title |
|-----|--|
| 69 | Alberta Heritage Savings Trust Fund Special Appropriation Act, 1982-83 |
| 83 | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1981 |
| 84 | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Supplementary Act, 1981 |

[The Lieutenant-Governor indicated his assent]

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

HIS HONOUR: Mr. Speaker, Members of the Legislature:

I understand you've had a bit of a long session, so I won't keep you very long. Besides, I don't like giving speeches anyway.

You've had a pretty rough year, and you've seen a lot of accomplishments. Energy is at least partially solved, and the constitution is out of the way. But you still have a lot of troubles with energy, labor, social services — you name them. You've put in a lot of time. I think you've done a good job, and I want to congratulate you.

I want to take this opportunity of wishing you a very, very merry Christmas. Let us hope that '82 will be even better than '81.

Thank you very much.

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the House]

[Mr. Speaker in the Chair]

MR. CRAWFORD: Mr. Speaker, I think the remaining item of business for the day, Government Motion No. 18, requires unanimous consent of the Assembly, to be proposed by me, in light of the fact that the government designated business did not include that item. I don't know hon. members' wishes in that regard, but ask unanimous consent to move that motion.

MR. SPEAKER: Is it agreed?

HON. MEMBERS: Agreed.

head: GOVERNMENT MOTIONS

18. Moved by Mr. Crawford:

Be it resolved that when the Assembly adjourns, it shall stand adjourned until such time and date prior to the commencement of the 1982 session as is determined by Mr. Speaker after consultation with the Lieutenant Governor in Council.

MR. CRAWFORD: Mr. Speaker, when passed, the effect of the motion is simply to provide for the resumption of the session in the future, in the same manner as was done last year.

[Motion carried]

MR. CRAWFORD: Mr. Speaker, I move that the Assembly now adjourn until such time as determined by you, after consultation with the Lieutenant Governor in Council, pursuant to Motion No. 18.

MR. SPEAKER: Before putting the question, may I express sincere good wishes to each and every member of the Assembly for a very happy Christmas and for rich blessings throughout 1982.

[Motion carried]

[The House adjourned at 3:49 p.m.]

