

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Tuesday, April 6, 1982 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS****Bill 221****Code of Ethics and Conduct Act**

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill No. 221, the Code of Ethics and Conduct Act.

Very briefly, Bill No. 221 would set out clearly, in statutory form, a set of ethics and conduct for public officials in this province.

[Leave granted; Bill 221 read a first time]

Bill 216

**Conflict of Interest
for Members of the Legislative
Assembly, Ministers and
Senior Government Officials Act**

MR. R. SPEAKER: Mr. Speaker, I would also like to introduce a Bill, the Conflict of Interest for Members of the Legislative Assembly, Ministers and Senior Government Officials Act.

This Act applies to members of the Legislature, Executive Council members, and senior staff of government. It also responds to some of the concerns raised in the present report of Mr. Justice Brennan, which was made available to members today.

[Leave granted; Bill 216 read a first time]

Bill 30**Public Health Amendment Act, 1982**

MR. BOGLE: Mr. Speaker, I beg leave to introduce Bill No. 30, the Public Health Amendment Act, 1982.

The purpose of this Bill is to enact the first phase of legislative reform of public health legislation, by repealing the Health Unit Act and incorporating its provisions into the Public Health Act. Greater flexibility will be given to health unit boards in the selection of board members. As well, this Bill will alter the composition of the Provincial Board of Health and revise its role to that of an advisory and appeal body.

[Leave granted; Bill 30 read a first time]

Bill 15**Clean Water Amendment Act, 1982**

MR. PAHL: Mr. Speaker, I request leave to introduce a Bill, the Clean Water Amendment Act, 1982.

The purpose of Bill 15 is to increase the effectiveness of

the Clean Water Act in protecting the quality of the environment, with respect to water contaminants.

[Leave granted; Bill 15 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill No. 15, the Clean Water Amendment Act, 1982, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **TABLING RETURNS AND REPORTS**

MR. COOKSON: Mr. Speaker, I wish to file with the Assembly a response to Motion for a Return No. 130.

MR. KING: Mr. Speaker, for the information of Members of the Legislative Assembly and the general public, I would like to table the 76th annual report of the Department of Education.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. SCHMID: Mr. Speaker, today I'm very proud to introduce to you, and to hon. members, members of the Around 60 club from the Edmonton Avonmore constituency. Their motto, Friendship Through Fellowship, expresses so well the cordiality and congeniality they express to each other and, I would say, live by. I am sure all hon. members join me in wishing them continuous good health, happiness, and love in their fellowship. I ask them to rise and receive the warm welcome of this Assembly.

MR. LYSONS: Mr. Speaker, I'd like to introduce to you and to members of the Assembly 44 grades 6 to 9 students from the Alliance school. They have travelled a long way — about three hours on the bus — to be here today. They are accompanied by their teachers Muriel Fankhanel and Helen Steadman, parents Laura Towers and Dorothy Miller, and their bus driver Irvin Platz. I ask them to stand and receive the warm welcome of the Assembly.

head: **MINISTERIAL STATEMENTS****Office of the Premier**

MR. LOUGHEED: Mr. Speaker, Members of the Legislative Assembly will recall that an order in council was issued pursuant to the Public Inquiries Act on July 8, 1981, in connection with the annexation of certain lands to the city of Edmonton and in connection with the proposed land assembly by the government of Alberta, and appointed the Honourable Mr. Justice William R. Brennan of the Court of Queen's Bench as a commissioner to inquire and report on various matters set forth in the order in council. I would like to table with the Assembly copies of the report.

With regard to the first term of reference, the companies named in the order and the finding of Mr. Justice Brennan is that none of these companies, or any person acting on their behalf, obtained any confidential information in the possession of the government of Alberta in respect of the said annexation or in respect of the acquisition of certain lands by the government of Alberta

through its agent, the Royal Trust Company, for the purpose of the land assembly within the area proposed.

The second term of reference was whether any person who formerly held office as a member of the Executive Council of the province of Alberta subsequent to September 10, 1971, and was connected in any way whatsoever with the companies contained in the first term of reference, obtained any confidential information in the possession of the government of Alberta in respect of the said annexation or land assembly. The findings of Mr. Justice Brennan were to the effect that he was not satisfied that confidential information in the possession of the government of Alberta, in respect of the annexation or land assembly, was obtained by Dr. Hugh Horner, Mr. William Dickie, or Mr. James Foster, who were the only former members of the Executive Council whose activities were considered in this regard by the inquiry.

The third term of reference was the nature and effect of any representations made by any person who formerly held office as a member of the Executive Council in the province of Alberta, to any current members of the Executive Council in respect of the said annexation or land assembly. The commissioner concluded that the representations made by Dr. Horner to the Minister of Municipal Affairs were merely taken as political advice and, other than this, the representation had no effect on the minister's deliberation. With regard to the representations of Mr. James Foster, the commissioner found that the effect was that while at least several members of the Executive Council gave serious consideration to, and saw merit in, the representations made by Mr. Foster, such representations did not have the desired effect, and the southern boundary of annexation was 2 miles north of where Mr. Foster sought to have it located.

With regard to the effect of representations by Mr. Donald Getty, the commissioner found to the effect that while Mr. Getty himself made no representations to Mr. Moore, he did arrange for his colleagues in Nu-West to attempt to convince Mr. Moore of the merits of their project. The representations in this regard, however, were completely ineffective, and the approval sought for the Ardrossan project was not obtained.

The fourth term of reference was such other matters as the commissioner may consider relevant to assure a full and fair inquiry. In this regard, the commissioner stated that his findings are to the effect that he is "satisfied from the evidence that Mr. Trynchy did not become consciously aware of the fact that the lands in which he held an interest, through his shareholdings in Ten Pin Holdings Ltd., were within the area being considered for annexation until sometime after the public announcement had been made with respect to annexation." And this concluded the findings of the commissioner.

The commissioner then makes general comments, and notes on page 55 that the terms of reference require only that I investigate and make findings with respect to questions raised by such terms.

However, Mr. Justice Brennan made some general comments in addition to his findings, and noted that a former cabinet minister, Mr. James Foster, lobbied current members of the cabinet on the decision. As noted, the efforts of the former cabinet minister were unsuccessful. However, Mr. Speaker, Mr. Justice Brennan suggests, on pages 55, 56, and 57 of his report, that this approach gives a distinct and definite advantage to persons who wish to present their views to members of the cabinet and who engage or retain, for compensation, former cabinet ministers to make such representations on

their behalf. This suggestion by Mr. Justice Brennan was based only on the evidence Mr. Foster introduced at the inquiry, which was incidental to the main questions.

My extensive checking of this situation of lobbying by former cabinet ministers indicates that this has occurred very infrequently and has been notably unsuccessful. Ministers give priority to their office and other appointments to their constituents, by elected or established representatives of organizations and associations which interface with the minister's portfolio responsibilities and, to the extent possible, by citizens at large. Very few former cabinet ministers are currently engaged in either occupations or activities which would allow them to lobby the cabinet. It is regrettable that all of the available evidence as to whether such lobbying in fact occurred as a practice, or occurred only in isolated circumstances, was not placed before Mr. Justice Brennan. My checking has revealed that it is not a practice, and at the most involves isolated cases.

However, Mr. Speaker, to the limited extent that corporations, groups, or organizations have hired or may in the future hire former cabinet ministers to make representations, it is my firm view — and I concur with Mr. Justice Brennan — that any preferential approach should not be allowed, and that it is unfair to other citizens or interests. Mr. Justice Brennan notes that "it is clear from the evidence of those cabinet ministers who testified before me that they like to hear from all sides of an issue before making a final decision".

I have accordingly directed the members of Executive Council to this effect — and will, in due course confirm such a directive with written confirmation — to assure no preference is given to any lobbying by former cabinet ministers, so that they receive no distinct or definite advantage over other lobbyists or persons who wish to present their views on a particular matter to members of the cabinet.

head: ORAL QUESTION PERIOD

Brennan Inquiry

MR. R. SPEAKER: Mr. Speaker, my question is to the Premier. It's on the subject at hand and is from the report of the public inquiry led by Mr. Justice Brennan. Page 59 of the report refers to the fourth subject of "other matters". On that page, Mr. Justice Brennan is speaking of the hon. Mr. Trynchy's actions: "In my view he was careless in not having determined that he had ..."

MR. SPEAKER: Order please. I realize that we've had a ministerial statement with regard to the report, and there have been quotations from it. The hon. Leader of the Opposition had an opportunity to comment at that time, if he so wished. But now that we're in the question period, it would seem to me that any questions with regard to the content of the report could be asked directly, without extensive favorable or unfavorable quotations. The report obviously consists of statements with regard to a number of topics. In the question period, I think it should be quite feasible to ask questions with regard to the topic the hon. member wants information on, without reading at length from the report and asking for comments on it. On the other hand, if the hon. leader or any other member wishes to debate the report, that can be done in the appropriate way, by a motion on the Order Paper.

MR. R. SPEAKER: Mr. Speaker, on a point of order. I think you're prejudging the question.

MR. NOTLEY: Exactly.

MR. R. SPEAKER: I was placing the information before the Premier so he knew my reference point, without any editorializing. That's number one. Number two, my question is: what action was to follow? Those are two objective statements, neither with innuendo or any kind of inference.

Mr. Speaker, I think your ruling is unfair, and prejudging before I actually did what I was going to do. I thought that in this land we were free to make statements until proven innocent or guilty. I feel I was innocent. I'd like that clarified, because if I can't quote from here, then I'm going to ask the question in just a bit different manner.

MR. SPEAKER: As I said, it shouldn't be necessary to engage in any lengthy quotations from the report. If there is a certain topic in the report — and I think I can see in what direction this question is going — then the hon. leader can ask his question directly, with regard to that topic.

MR. R. SPEAKER: Mr. Speaker, I appreciate that. On the point of order, for clarification, I wanted to place it — so you understand, in your judgment as to what I said — because it talks about a member of the Legislature. In all fairness to that member, I didn't want to take it out of context; I wanted it quoted as is in the report, so it wasn't me making any inference or innuendo. I think that's only with due respect to the hon. member dealt with in the report.

Mr. Speaker, I'd like to proceed to quote the rest of that sentence, which is only a very short sentence and not a long quote. I'd like to start again, so we have it all in the same context. My question to the Premier relates to this sentence:

In my view he was careless in not having determined that he had this conflict of interest before participating in the annexation and vote thereon in Cabinet. It is my ... view that such carelessness amounts to negligence on his part.

My question directly to the Premier: what action is the Premier prepared to take with regard to that statement, which indicates clear negligence by one of his ministers?

MR. LOUGHEED: Mr. Speaker, let me answer the question this way. First of all, I think it's clear that in law, the statements "carelessness" and "negligence" are synonymous. Secondly, I want to note that that quotation came from the general comments of Mr. Justice Brennan, and did not come with regard to his findings.

Thirdly, I want to say that I have considered the matter at some length and reached this conclusion. The first matter that is involved here, and the issue, is clear that what has been involved by the minister is not something that in any way adversely affected citizens. It had to do with the question of whether the minister had a conflict of interest in his vote in cabinet on June 9, 1981. The finding on page 55 is clear. The finding of Mr. Justice Brennan is that at the time the minister participated in that vote, he was of the view that the property in question, through the shares he held, was not within the annexed area.

Mr. Speaker, the comment made by the Justice is that

he should have double-checked this, and I have considerable concern with that. The minister was asked by me, with instructions in March 1979, to disclose certain properties, and then to place them in a blind trust, as he chose with regard to private companies, or with public companies in a blind trust. The minister in fact established a blind trust. That document and evidence was provided before the inquiry. The minister was of the view that in placing the shares in question within the blind trust, he transferred all his interest in the shares to someone else and had lost all rights to them.

Mr. Speaker, I have great difficulty understanding how a person can be careless in not checking a particular situation; in other words, if he thought, when he was casting that vote, that the property in question arising from these shares was outside the annexation area, as is noted in the finding. To suggest that the minister should have gone to his trustee to double-check that seems quite unreasonable to me, because it would have been a breach of the blind trust.

MR. NOTLEY: Mr. Speaker, a supplementary question

MR. SPEAKER: May I just intervene for a moment. I didn't want to interrupt the hon. leader further. I think it's well recognized that one of the very serious obligations on the Speaker is to be alert to anything which may occur in a parliament which may adversely affect the good name of anyone inside or outside that parliament, although I realize that members have absolute privilege, and that they may not be sued for defamation for anything they say in the House. That's well established. Nevertheless, it does seem to me that when something arises which may affect the good name of someone inside or outside the House, the Chair must be very vigilant.

In this particular case, although the quotation was no doubt made as it stands in the report, we have now started to debate the merits of the report. [interjection] There's no question about that in my mind.

MR. NOTLEY: Mr. Speaker, with great respect, on the point of order. We have a major report, commissioned by Executive Council. In order to put forward questions which are properly in the public realm, it seems to me only appropriate that there be quotation from that report. I think that the more we stick strictly to quotation from the report and not inject anything else, the safer the ground we're on. We're dealing with a report commissioned by Executive Council. It was tabled in this House and, at this stage, must surely be the property of the House and the people of Alberta.

Mr. Speaker, I'd like to ask the hon. Premier a supplementary question, if I may, following up on the response with respect to the blind trust. While I realize the observations the hon. Premier made, I'd like to quote the hon. Premier's statement of May 2, 1973, with respect to public disclosure of interest. I think one of the observations in that, and I'll quote directly ...

MR. SPEAKER: Order please. I regret having to interrupt hon. members in question period. I might say that I enjoyed yesterday's question period, when I didn't intervene once.

The hon. member wants to ask something in the report. I know it's an often-repeated and often-attempted device to quote from some previous statement to try to catch a minister in a possible contradiction, then tax him with

that contradiction. Of course, once that happens . . . I'm not suggesting that that's the purpose this time; it may be another purpose. But the hon. member wants to ask what's in the report. Would he come directly to what he wants to ask from what's in the report, and not bother with statements that may be of more or less antiquity.

MR. NOTLEY: Mr. Speaker, on a point of order. With the greatest respect, I'm absolutely incredulous at your ruling. I really can't believe your ruling.

Mr. Speaker, on the point of order, we're dealing with the whole question of a report that was commissioned, and it revolves around public disclosure of interest. We had a ministerial announcement by the Premier himself, on May 2, 1973, setting out the very guidelines Mr. Justice Brennan makes reference to. If the hon. Premier isn't in possession of this statement, in fairness to him I will not ask the question. But if he is — and he is waving it — it would seem to me that not to quote it would be, on your part, sir, interfering with the natural flow of the question period, and quite wrong.

MR. SPEAKER: Notwithstanding the hon. member's incredulity, I understand that he wants to ask a question about a report on which a ministerial announcement has just been made. It seems to me just a bit far-fetched to preface a question of that kind concerning a report, which as far as I know has come to light today, with a quotation some eight years old. So if the hon. member wishes to ask a present question about the report, would he proceed to do so?

MR. NOTLEY: Mr. Speaker, on the point of order. I make it clear to you, sir, that we're not talking about a quotation in the question period; we're talking about a formal ministerial announcement on which the entire public disclosure of interest guidelines of this government are set. The hon. Premier has a copy in his possession.

Now, Mr. Speaker, I certainly don't need to quote the report, but I would say that not to do that, in fairness, would be wrong. I don't want to take it out of context, but I will try to summarize, if you're going to insist that we not cite it. I think that's an extreme ruling which is going to limit the question period, on the parts of both the questioners and the hon. Premier, in responding. However, I accept your judgment in this case — regretfully, because I think you're dead wrong.

Mr. Speaker, I put to the hon. Premier: bearing in mind one of the provisions of the public disclosure of interest guidelines, which is the advantage of public disclosure . . .

MR. SPEAKER: Order please. If the hon. member wishes to elicit some present fact, for which the question period is intended, would he come directly to the question?

MR. SINDLINGER: On the point of order, if I may, Mr. Speaker. I understand and respect your vigilance in trying to protect the integrity of a member of parliament, and certainly that should be one of the requirements of the Speaker. On the other hand, I believe we're doing that particular member a disservice if we're not allowed to bring out all aspects of this particular issue, because if in some way we repress discussion or questioning at this time, it gives the public the impression that there is something to hide. I want the member to have every opportunity to demonstrate that that is not in fact the

case. I therefore beg your indulgence in the questions being posed today. And if you are to err, err on that side, if that's at all possible.

MR. SPEAKER: I do that very frequently. But I have to say again, as I said in the past, the purpose of the question period is to elicit present facts of present interest and not to warm up something that's eight years old. The purpose of the question period is to get information, not to debate. If the hon. member, incredulous though he may look or sound, wishes to ask a question to elicit some information, would he please do so. Otherwise, I'll have to go to the next member.

MR. NOTLEY: Mr. Speaker, on the point of order. We're not talking about something which is eight years old; we are talking about something which, as far as I know, is still the official position of this government. So there's no misunderstanding, that's the question I'll put to the hon. Premier: is this statement of May 2, 1973, still the position of this government, with respect to public disclosure of interest?

MR. LOUGHEED: Mr. Speaker, the answer to that is yes. I believe modifications were made in 1975 to extend that to senior public officials.

MR. NOTLEY: Mr. Speaker, a supplementary question, now that we've established that. What consideration was given by the Premier, in reviewing the Brennan report — in particular, the observation on pages 59 and 60, with respect to negligence — to the observation that one advantage of the public disclosure of interest guidelines was to stop a minister from inadvertently getting himself into a conflict-of-interest position? Notwithstanding the blind trust the Premier referred to, I ask that in light of the observation made by Mr. Justice Brennan that:

Accurate information in this regard was readily available to him and could have been obtained with little difficulty, as for example, simply checking his . . . Declaration . . .

MR. SPEAKER: Order please. If the hon. member has a question to ask, would he come to it directly.

MR. NOTLEY: Mr. Speaker, I've asked the question.

MR. LOUGHEED: Mr. Speaker, just so we are accurate with regard to the statement of May 2, 1973, on the quotation used by the hon. Member for Spirit River-Fairview, it was not my view that what was going to be done with regard to public disclosure would eliminate the probability of a minister inadvertently making a decision involving a proprietary business interest. It will certainly reduce it, and I think it has.

The hon. Member for Spirit River-Fairview went on to mention what Mr. Justice Brennan stated, and that is my point. There are two aspects to this matter. The first is the finding of Mr. Justice Brennan, to the effect that at the time the minister cast his vote in cabinet, he was of the view that the property was outside the annexed area. In comments, Mr. Justice Brennan went on and said he should have double-checked. My view is that the minister was of the view that by placing it in the blind trust, he had in effect lost control over that particular share and, hence, the property involved.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier. I refer to the question and answer process of September 23, Volume 2, page 129 of the hearings. Before not asking for the resignation for the hon. Mr. Trynchy, did the Premier consider that the minister could benefit from the proceeds of the sale of that land, and admitted that on page 129 of the hearings?

MR. LOUGHEED: Yes I did, Mr. Speaker, precisely. I reviewed page 129 carefully. That question was asked of the minister by the commissioner, with regard to the benefit of proceeds that occurs with regard to a blind trust. I refer the hon. Leader of the Opposition to page 122, where the questions with regard to the blind trust were raised with the minister. He was asked the following questions — and I have to read a few of them, Mr. Speaker:

Q: You didn't feel that you were transferring all your interest in the shares over to somebody else?

A: I felt I was.

Q: Your beneficial, equitable interest?

A: Well, my understanding is that when you transfer your shares, you lose all your rights to them.

Certainly, if shares are placed in a blind trust, as ministers have done, they will receive the revenues as beneficial interest when those shares are in fact sold, if they are. Quite obviously, there is an important distinction in being a beneficial owner of some property placed in a blind trust because, under the provisions of the blind trust, a minister is able to determine the aggregate revenues. The minister doesn't lose the revenues, but he does lose control of the assets he places in the blind trust. In this case, the minister placed these particular assets in question in a blind trust and, in his view and in view of the agreement he signed, had in fact lost or given up control over them. To that effect, I don't see how he could have double-checked without breaching his trust agreement.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. Minister of Recreation and Parks. In light of the comment on page 59, and in light of what Lord Carrington has done in terms of his negligence [interjections] — we have negligence indicated very clearly in this report — what position is the hon. minister taking, with regard to this and his responsibility to cabinet and this Legislature?

MR. NOTLEY: Did he offer his resignation?

MR. TRYNCHY: Mr. Speaker, I welcome the question. I've read the report very thoroughly, and I again point to page 55 in the findings of the Justice:

I am satisfied from the evidence that Mr. Trynchy did not become consciously aware of the fact that the lands in which he held an interest through his shareholding in Ten Pin Holdings Ltd. were within the area being considered for annexation until sometime after the public announcement had been made with respect to annexation.

So I have some difficulty with the question raised by the hon. member.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Can the hon. minister confirm or deny that he

cannot benefit financially from the land presently in the annexation area?

MR. SPEAKER: Order please. Apart from being a question of economics, that may also be a question of law.

I suppose it may be obvious to the Assembly that I have interfered with several questions and have not interfered with the answers. I make no apology about that whatsoever, because the nature of the questions is to raise a controversy concerning the conduct of someone mentioned in the report. Once that's raised, it's obviously to be expected, in the natural course of events, that the other side of that controversy is going to be presented. It would be unfair to prevent it from being done otherwise, once the questions themselves are allowed.

What we're really engaged in here is not an exercise for the question period at all; we are engaged in debate of the contents of the report, with parts of the report being selected by one side of the House as a basis for criticism, and the criticism being answered by the other side of the House. That's plain debate, in any kind of definition of that word that you could ever find.

MR. SINDLINGER: Mr. Speaker, I wonder if I could rise on a point of order on Section 12(2) of our *Standing Orders*, with regard to the judgment you have just made. I think it is incumbent upon you to ensure that both sides of this House are heard today on this particular matter, because the ultimate credibility of all of us here today is at stake, not just one member. It should be aired in public, without question and without reservation.

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

MR. SPEAKER: Might I just briefly reply. I have no intention of continuing a running debate on this point, because the principles involved are clear. As hon. members know, notwithstanding that occasionally it may appear otherwise, the Chair is expected to refrain from debate to the greatest possible extent.

The fact of that matter is that if there is any question of credibility here, that's a subject for debate. I'm sure other hon. members of this Assembly would love to get into this topic, if they've had a chance to read the report, but they are prevented from doing so by the rules of the question period. That is clearly unfair. The purpose of the question period is to elicit facts of present importance. The sooner we revert to that, the fewer interventions there will be.

MR. R. SPEAKER: Mr. Speaker, on the point of order, with regard to the term "fact". My last question was asked deliberately: are there any possible benefits? The answer can be yes or no. It's a fact. I don't see any questions with regard to innuendo, accusations, and so on. I don't think your ruling is in terms of the *Standing Orders* or *Beauchesne*. As I review them, I don't see the written precedent for restricting what we are trying to do.

MR. SPEAKER: Obviously I respect the hon. leader's right to disagree. Whether there are present benefits, is a matter of opinion. What some people may call a benefit, others may not. Whether there is an entitlement to benefits, is a matter of law. That's what I pointed out.

Would the hon. leader proceed with his next question, if he wishes to do so.

MR. NOTLEY: Perhaps I could put a supplementary question to the hon. Premier, if I may, with respect to blind trust agreements. As I understand the Premier's answer — and I don't want to misinterpret him — where there is a blind trust agreement, it would be wrong to check that, because it would in fact be a breach of that agreement on the blind trust.

MR. SPEAKER: Order please. That's clearly a matter of opinion, [interjection] Would the hon. member please resume his seat.

If the hon. Leader of the Opposition wishes to ask his second question, let's proceed with it.

Land Assembly Guidelines

MR. R. SPEAKER: Mr. Speaker, my second question is to the Premier, with regard to the potential annexation around the city of Calgary. Could the Premier indicate whether any of the ground rules with regard to annexation procedures and involvement of cabinet ministers and of trust companies, have changed since this Brennan inquiry report has been presented or since the hearings have taken place?

MR. LOUGHEED: Mr. Speaker, yes, with regard to the one point I raised in the ministerial statement, that did concern me, although as I mentioned in the ministerial statement, it is clear that this lobbying — to use the term applied to it by Mr. Justice Brennan — is obviously infrequent and isolated and, from a very interesting point of view, not very successful. I do believe he makes a good point, and I concur in it. I don't believe we should be in a situation in which former cabinet ministers can lobby current cabinet ministers on matters of public interest unless it's clear, as the cabinet ministers themselves have said, that they're able to hear all sides of the questions.

If I follow the question of the Leader of the Opposition, I think the important change is that there can be no acceptance of such lobbying if it ends up to be a preferential approach by the former ministers. I don't think that's fair, and I have so instructed the members of the Executive Council, and in due course will confirm that in writing.

MR. KESLER: A supplementary question, Mr. Speaker. As the hon. Premier and the government continue to be a little more than careless with the truth in representing the Alberta farmer [interjections] . . .

MR. SPEAKER: Order please. I think the hon. member should understand that an accusation against another hon. member of the Assembly, that he or she is being careless with the truth, is something which is not acceptable in any parliament of whose existence I may be aware. I respectfully suggest to the hon. member that he might give some further consideration to that statement, and seriously consider whether he might wish to withdraw it.

MR. KESLER: On a point of order, Mr. Speaker. I thought that "careless with the truth" was better than using the word "lie", [interjections] If I might quote . . .

MR. SPEAKER: It's just a case of a big brother and a little brother; they're in the same family.

MR. KESLER: On the point of order, Mr. Speaker, to clarify my position. On page 132 of the inquiry, a repre-

sentative by the name of Ellis, who worked for the Royal Trust, gave testimony that he in fact did represent a situation of being careless with the truth, as he went about purchasing those lands from the neighboring farmers, and that he made the statement that he was representing a board of directors from Toronto. That's where the question . . .

MR. SPEAKER: My concern is that if the hon. member wishes to ask a question to get some factual information, would he please proceed to do so.

MR. KESLER: Mr. Speaker, the question to the hon. Premier is: do they still use that tactic in acquiring lands?

MR. LOUGHEED: Mr. Speaker, I am having some difficulty with the question. Perhaps the hon. member could put it in a different way. Is he referring to the use of an undisclosed agent in acquiring lands on behalf of the provincial government, if that's the nature of the question? I'm not sure I understood it, and perhaps the hon. Member for Olds-Didsbury could elaborate.

MR. KESLER: Mr. Speaker, my question is exactly what the agent said in purchasing and acquiring those lands for the government, where he was instructed to make the statement that he represented a board from Toronto. My question then is: are the representatives of government still involved in that kind of dealing in acquiring land?

MR. LOUGHEED: Mr. Speaker, I'd have to check the particular testimony, because it is not testimony that I have looked at. I believe it is not practised with governments or just individuals that are limited. I think it's always been a practice, in a number of situations, that one can act through an agent and that that agent can present himself as an undisclosed agent for the purposes of acquiring property. I think it's been a practice here in other cases — certainly in other land banking cases and in other parts of Canada — that from time to time governments use agents, as does the private sector. Those agents are in the position that they do not disclose their principal. I can't deal with this, as I haven't looked at the specific question involved.

If the hon. Member for Olds-Didsbury is suggesting that in acquiring land through the government of Alberta, we should always present ourselves and not use agents, obviously the result of that would be an increased price. If that's what he proposes, certainly it's something for debate and consideration.

MR. NOTLEY: A supplementary question to the Premier, with respect to the question just posed by the Leader of the Opposition. The Premier indicated that he was issuing a directive, with a written confirmation, on this question of lobbying. Will that directive be tabled in the Legislature, and when may we expect it?

MR. LOUGHEED: Mr. Speaker, I want to give it some careful consideration. I wouldn't make a commitment as to the time. I received the report yesterday. Certainly I want the opportunity to assess it further, so the nature of the written confirmation can be put in a sense that's clearly understood and reduces the probability of misunderstanding.

MR. NOTLEY: A supplementary question to the minister. In light of Mr. Justice Brennan's observations, what

assessment has the government given, or is it the intention of the government to review federal legislation which sets out what we might describe as a clear cooling-off period for former cabinet ministers, in terms of their relationships, lobbying or otherwise, with government?

MR. LOUGHEED: Mr. Speaker, I reread those provisions introduced by the Prime Minister in 1980, and the Prime Minister in 1979, and again today. First of all, it's interesting — two aspects — that primarily what is involved here is the question of whether or not former cabinet ministers should or should not lobby the government after they leave their office.

The two interesting aspects I wanted to comment on are, as I've mentioned earlier, the singular lack of success of such lobbies and, secondly, to note that with regard to both cases, the so-called cooling-off period suggested by both the Prime Minister and the former Prime Minister was a two-year period. That would not have helped in the case we have just experienced, with regard to the former Attorney General, Mr. Foster, because he was beyond the two-year period.

It seems to us that in looking at those matters, one has to look at the practicality. One also has to look at whether or not the absence or presence of such rules is helpful in the public interest, in terms of the situation of attracting people into public life on one hand, and whether or not they do what those who propose them hope they will do. In my judgment, the very best test is already contained in the evidence of Mr. Justice Brennan. Two former cabinet ministers tried to lobby this government; in both cases, they were unsuccessful.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier, with regard to guidelines, legislation, or regulations. I refer to the Municipal Government Act, Section 30, which indicates that a member of council ceases to be qualified if the member votes on an area where there is a certain vested interest or a conflict of interest. Has the Premier considered that type of guideline, legislation, or regulation, in place for members of Executive Council?

MR. LOUGHEED: Mr. Speaker, my research doesn't indicate that that is a practice generally accepted in the parliamentary system. When you deal with municipal governments, you're involved in a different situation. You don't have the concept of parliament or cabinet.

MR. KESLER: A supplementary question, Mr. Speaker. What are the specific conditions under which the Premier would dismiss a member of the cabinet? Clearly, negligence of his duty is not one of those conditions. How far is the Premier prepared to go in protecting ...

MR. SPEAKER: Order please. The hon. member's question is quite hypothetical. But in view of the barb contained in it, it would be less than fair if there weren't an opportunity to deal with it.

MR. LOUGHEED: Mr. Speaker, I'd answer that question this way. If a circumstance such as we're discussing in the Legislature at the moment involved any adverse situation with regard to any citizen, then I would consider that as a serious matter and one that would involve a consideration of some disciplinary action on my part. Or, secondly, if the hon. minister, knowing he had a conflict of interest, participated in the course of a cabinet discus-

sion to urge and suggest a course of action in which he would receive a beneficial interest — in either of those cases, I would think disciplinary action would be required. Neither of those cases pertain in the present situation.

MR. NOTLEY: A supplementary question to the Premier. Has the government given any consideration to a blanket position with respect to trustees who are administering blind trusts, so the trustees themselves are advised of potential land problems such as this and do not get their clients into the kind of situation we found here? Has any consideration been given to that?

MR. LOUGHEED: Mr. Speaker, I'd certainly give the matter some thought. I'm not sure how practical that would be. The concept of a blind trust is generally understood and accepted. In fact, I know the hon. member has also proposed it. It involves a situation where a minister makes a decision to turn over assets during the period in which he or she serves as a member of the Executive Council, and leaves absolute discretion to that person. I believe it's rather difficult to put too many constraints on the selection of the persons, but that's something that could be considered.

The other side, though, is that I'm having some difficulty understanding how you could place a burden upon trustees — either in the general or the particular — that would get them to the position that they would be responding here in a case that would pertain to the facts at issue.

Interest Rates

MR. KNAAK: Mr. Speaker, my question to the Premier is on quite a different subject. I think the Premier will have to shift gears. Some days ago, a question on interest rates was raised. If I might put it this way: the federal interest policy has two components, one to fight inflation and the other is to keep the Canadian dollar up. That's what we refer to as tracking the American interest rates, to keep up the Canadian dollar. The first component is fighting inflation. Can the Premier advise whether he recognizes that inflation is a serious problem in Canada, and whether this government has any specific policies used to fight inflation?

MR. LOUGHEED: Mr. Speaker, I believe I answered a question quite similar to that yesterday, from the Member for Olds-Didsbury, although that was only the first part of the question. At that time, I developed the view with regard to the issue of a made-in-Canada interest rate policy. Rather than either repeat myself or be accused of altering my position, I'd rather let the answer of yesterday stand.

MR. KNAAK: A supplementary. Can the Minister of Federal and Intergovernmental Affairs advise whether he's taken up the issue of reducing inflation in Canada with his colleagues in other provinces or with the federal minister?

MR. JOHNSTON: Mr. Speaker, I don't know if that question should properly go to me, the Premier, or the Provincial Treasurer. However, as the Premier noted last time with respect to the first ministers' conference on the economy, the question of inflation was well dealt with among the ministers in attendance and the premiers. I

think there was a general feeling that a battle against inflation was a priority. However, the question of the methods or techniques invited a great deal of debate, of course, as to economic performance. I can say very specifically that it is a concern of all governments. It has been debated, and I think it will continue to be debated through this very difficult time.

MR. KNAAK: A supplementary, Mr. Speaker. Has the Provincial Treasurer made an assessment of whether significant inflationary pressure would develop in the Alberta economy, given the size of the budget if Alsands went ahead? Would the Alberta economy not suffer severe inflationary impacts?

MR. HYNDMAN: Mr. Speaker, when one looks at the 1970s in this province, even though the annual growth rates during virtually all of the 1970s were the highest in Canada, inflation rates in this province were either equal to or less than the national average in each of those years.

ORDERS OF THE DAY

MR. HORSMAN: Mr. Speaker, I move that questions 122 to 129 inclusive and motions for returns 120 and 121 stand and retain their places on the Order Paper.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

MR. HORSMAN: Mr. Speaker, in view of the fact that neither the hon. Member for Cypress, who moved Motion No. 206, nor the hon. Member for Calgary Millican, who moved Motion No. 207, are able to be in the Assembly today — notice of which was given to the opposition yesterday — I ask unanimous consent to have both motions stand and retain their places on the Order Paper, and that we proceed to debate Motion No. 208.

MR. SPEAKER: Is there unanimous consent for the motion by the hon. Deputy Government House Leader?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

208. Moved by Mr. Lyons:

Be it resolved that the Assembly urge the government to consider assuring persons residing in the vicinity of a special waste treatment plant, wherever it may be located, that compensation for damages resulting from the operation of the facility will be guaranteed either by the operator of the facility and/or the government of Alberta.

MR. LYONS: Mr. Speaker, the motion I'd like to propose this afternoon deals with wastes and the protection of the people in the area. This resolution is important to people living or dealing in an area surrounding a special waste plant. In the community I'm involved with, in the county of Beaver, there's a feeling that in the event of some catastrophic calamity, normal insurance coverage wouldn't be available. We're sure that these plants are safe, and we're certainly sure they are needed. In order to

satisfy people's worries and fears, I felt we required a motion such as this.

People feel that no insurance company is large enough to handle a large accident. With the misinformation dealt to us through the years by people who were either not thorough in their research or deliberately misleading in their communication — and this deals particularly with a situation in the United States with the Hooker chemical company. At this time, I would like this Legislature to assure the people of an area — as the motion says, "wherever [the plant] may be located" — that the province would stand behind the facility and own the land the facility was on, so that in the event of an accident or something down the road — maybe 100 years or, as some people are saying, thousands of years — there would be a permanent body that would insure people.

I related to the Hooker Chemical Company in the United States. The misinformation has been that the chemical company was responsible for the unfortunate damage that occurred to the population on the landfill site. But in doing a little research on the situation, with the help of my colleagues, we were able to come up with some very interesting information. The so-called Love Canal was in fact deeded for \$1 to a school administration for a park. In turn it was sold as a housing development. The fact that there was spillage from that site was not because of the chemical plant's carelessness or procedures but because of outside influences.

I have a paragraph here I would like to read:

In fact, Hooker's dumping site was lined with impermeable clay, and the American Institute of Chemical Engineers reported in 1979 that the site more than met the standards of the 1976 Resource Conservation and Recovery Act.

Even though that site was selected and used between 1942 and 1952, it still met modern day standards. Then municipal people allowed digging and other disturbances to take place and destroy the actual protection that had been left by the company.

This article goes on to say:

But Love Canal, if it is to be taken as a symbol of anything, should stand for carelessness by a public agency — in this case, the Niagara Falls board of education — not by a "callous corporation." It might also stand for the carelessness of ill-informed "advocacy" journalism. Too many people pointed fingers of blame — in the best of causes, to be sure — before they had looked in all directions. Good causes can lead to bad conclusions, and misinformation is the most dangerous pollutant of all.

There are just reams of material condemning a plant when in fact the plant was not at fault.

Of course the people who live around a plant would be leery. We would all be leery. But we also have to remember that we have modern technology that makes redundant landfill sites as that one was. Any siting today would be monitored and checked. You would have systems where any leaching from a waste product would be picked up in a testing zone immediately below the site.

There is just no possible way that we would allow a special wastes plant to have anything but the very best. In fact, many of the applications that were turned in would probably have been turned down because they wouldn't have had all the necessary criteria. With the province owning the land and holding the responsibility because they own the land, we can probably locate this plant — and we do need it — in the proximity of people and not have the great, great fear we have.

A report done by Reid, Crowther lists some of the major chemicals and the tonnage that would have to be dealt with in a plant. For instance, the first one on the list is PCBs. There would be approximately 10 tonnes a year. They go on to say how these things should be dealt with. But the main material that would be going into these plants would be oils, for 20,000 tonnes. We often hear of the PCBs being the big problem, and it is a big problem. But when it's only 10 tonnes of PCBs and 20,000 tonnes of oils . . . There are 23,700 tonnes of acids. I'm told they can be very effectively dealt with, and many of the other components. We went through the more serious chemicals to see what and how many there were. Anywhere from 13 to 15 per cent of the material to be handled would be considered dangerous. The rest is just material that has to be dealt with. So although we do have a large percentage, so many of these things that amount to this 13 to 15 per cent are very, very easily handled and are not toxic in any way unless they're handled carelessly.

Mr. Speaker and members of the Legislature, I would like to ask this afternoon that you vote on this resolution and have it carried. I believe it would mean a great deal to the people in my area as well as any other area where a plant may be located. I'm not at all sure the county of Beaver would be the correct location. In the first, place, the testing isn't finished. It's only after very, very thorough testing that a plant would be built anywhere.

An old schoolbook I had left around home called *Great Inventors and Their Inventions* has some very interesting things in it. The one I remember so very, very well was about the railroad, and it came to mind even though it's been a long time since I went to the little school. If I might, I would like to read a paragraph out of this book. You may find it very interesting, Mr. Speaker, and perhaps remember it yourself.

The new railroad stirred up much opposition, particularly among the owners of turnpikes and canals. The newspaper printed all sorts of ridiculous things. The railroad would keep the cows from grazing and the hens from laying. The poisonous smoke from the locomotives would kill the birds, the grass, and the trees. The sparks would burn all the houses along the way. There would no longer be any use for horses — indeed, it would not be long before there would be no horses, and therefore oats and hay would be worthless. The price of land would be lowered, for it would be impossible to plow the neighboring fields, and dangerous to drive along the near-by wagon roads. Besides, any number of people would be killed by the bursting boilers. All these fears seem ridiculous to us, but they were very real then.

Mr. Speaker, how new things frighten people couldn't be truer today than it was when the first railroad was built. I'm often frightened of something that's new and strange, and perhaps not told to me quite the way it should be. I remember when I was first told that I had to have open-heart surgery. It scared me for a minute, and then I realized that a lot of the people I was meeting had already had this done. They were all right, happy, and rather pleased with life. So it didn't bother me any more.

I believe the same thing would happen with a treatment plant. We need one; we must have one. We cannot go on much longer denying the citizens of Alberta a place where we can dispose of all sorts of chemicals, both industrial and domestic waste. Approximately 1,300 industries in Alberta are producing some sort of waste. I'm told that ordinary bleach, that we're all familiar with, is a very, very potent waste. It's a very helpful, handy material. But

when it is not diluted properly, it can be very potent indeed. We have all sorts of things. By far the largest producer is industry, but they're producing it for us as consumers.

As the Minister of the Environment said yesterday, usually a plant would have to have about 6,000 employees to make it worth having their own way of scrubbing their waste to recycle it. So the other plants — and I don't know of very many, if any, that have 6,000 employees — must have some place to dispose of their material.

I certainly urge the Legislature to pass this resolution this afternoon and give those people where the plant may be the assurance that this province — as well as the company, but companies come and go — has the foresight to assure people that in the event there's a problem, we're behind them.

Thank you.

MR. BATIUK: Mr. Speaker, I'd like to participate in Motion 208, proposed by the Member for Vermilion-Viking. I think it's very timely and a very important motion.

For some years now, Mr. Speaker, a concern has been expressed of a need for some treatment and disposal of the hazardous chemicals and wastes, that are more and more obvious. As Alberta becomes more industrialized, I believe the need is going to be so much greater.

There is no doubt in my mind that a site to treat these wastes would be most economical if it were in close proximity to where these wastes are generated. But this is not always possible. In the past, there have been concerns that much of our good agricultural land is used for industry. Also I believe that soils of certain compositions would be most suitable. I'm sure there is no doubt in anybody's mind that there may be numerous areas in the province where a site could be suitable.

When the minister set up a team to study the proposals for that, he set out some criteria that must be followed. I guess four or five places were recommended for this. One of the areas is within the boundaries of a county of which I represent a large area. Probably more than half the county is in the Vegreville constituency. It is also a county that has no industrial tax base whatsoever. I could see the county council being concerned that there would be a chance to have some industry in their area that would provide a tax base to help relieve some of the tax burden some of the ratepayers are experiencing. I'm sure that not only the taxation problem or the grants in lieu of taxation — there could be other areas of development. When this proposition and request, mentioned by the former speaker, was made by the county, there was very little opposition. Realizing the financial standing of the county, I strongly supported it and even advised the minister that I thought the county of Beaver would be a good location, because it fit the criteria the minister set out.

Mr. Speaker, at this time I would like to read some excerpts from a letter. Normally I don't read my own speeches, but I wouldn't want to have anything misleading. So I would like to read some parts of a letter from the county of Beaver. It was addressed to the minister, and I got a copy. It says:

. . . today, the results of a test drilling program that was done at the request of the County Council . . .

As a result of this investigation the County Council has unanimously requested that further study be undertaken for the establishing of a major treatment facility in [our county].

The County Council [also wants] to thank you and your ... Team for the care that you have taken in thinking about the health and safety, the protection of the environment and the ground water for ... Alberta.

I think this is very important. It also goes on to say that:

We in the County ... wish to express that in accepting the responsibility ... and ensuring the acceptability of the ratepayers ... that there [will] be certain conditions and assurances by you before any final decisions can be made.

I think that's very reasonable.

Certain ... areas such as transportation ... the role of County Council in the management options ... be put in place ... [also] legislation, regulation, ownership and the like.

I think these requests are very reasonable and should be followed regardless of where it would be.

[Mr. Appleby in the Chair]

But since time has gone on, Mr. Speaker, there have been more and more objections. Many people are starting to fear that this may have an effect on their health, the environment of their crops, or whatever. I really feel the requests are very reasonable. Without this motion, if this action would not be taken by our government it would be very crucial, and I would not be able to support a waste site any place in the province. I always felt that the proposed site, wherever it be, will be safe. Wastes are being hauled from this province to Ontario. Just yesterday the Member for Forest Lawn mentioned that any wastes which are detrimental to the health of people and the environment are taken to the dump located within his constituency.

Another area I must mention is the recent spill in the Calgary area which contained mercury. If the clean-up is going to be carried out, or maybe provisions have been, it would be necessary to haul this to Oregon. Now if it's safe to have a plant in Oregon, a safe one to have elsewhere, I wonder why one shouldn't be safe someplace where the wastes are being generated.

The Alberta environmental research centre is another area that, from the start, I felt would have a very important role in monitoring and providing expertise, regardless of where the site would be located. Maybe if it were someplace in that area, it would give the professionals in the Environmental Centre so much more availability.

Mr. Speaker, this brings me back to a few years ago, when we had almost an identical issue in the same area. That was when Calgary Power wanted to put in a generating plant. Originally there weren't too many complaints. But as time went on — well, we're going to ruin our land, and we're going to lose this. And because of the demand of the people, there was a halt to that. During that time, I made a trip to Wabamun and saw land where coal had been taken out. It was producing grain and grasses much better than any place around. However, because of this there was a stop on that.

I would also like to read just a little from the annual report of Tricil Limited, Mr. Speaker. I have to read it to make sure that I don't leave anything or maybe add something which would conflict. It says:

Tricil Limited ... provides waste management services in three main areas:

- solid waste collection and disposal,
- liquid waste collection, treatment, and disposal,

and

- resource and energy recovery from waste.

Tricil's success with innovative technology in energy-from-waste projects has opened up new markets in Canada and the United States.

Tricil won a contract to modify and operate an existing waste incineration facility at ... Ohio

Energy-from-waste projects provide future growth opportunities, particularly in the United States where energy prices are higher, the tax environment is favorable and landfill sites are limited.

An electric generator, driven by steam from the waste incineration unit at Hamilton, is to begin operating in July, 1982. The electricity will be sold to Ontario Hydro.

Approval to upgrade incineration facilities for liquid chemical wastes at Sarnia has been received from the Ontario environment ministry. Plans to modify and improve liquid waste treatment facilities ... are being reviewed with the Quebec government. Introduction of unique technology at these waste plants will allow Tricil to treat a wider variety of liquids

Tricil, based in Mississauga, Ontario, employs 460 people at 12 locations in Canada and three in the United States

I could go on and on, Mr. Speaker. It shows that they not only look after the waste in their own area but are accepting it from other provinces.

A time may come when it may be banned to haul such wastes across the country because it will be dangerous because of transportation conditions. What would happen then? As the minister mentioned in his estimates yesterday, I understand that Tricil is one of the companies that are looking strongly at this. I really feel that we have to look at our future. The province is growing and as Alberta becomes more and more industrialized, we will have to have our waste disposal site in this area.

Also in the letter that I read earlier — I wanted to leave it just for a while:

We feel that with a clear understanding the present feeling of uncertainty in certain areas of the County will be minimized. The pressure on our people is coming from outside our County (from Vegreville and Wainwright) which is disturbing to our people

I don't know why they mentioned Vegreville and Wainwright when they didn't mention Spirit River or Olds, because it seems there's quite a bit of concern whether something should be in the area.

Mr. Speaker, the hon. members are so concerned about the county of Beaver. Maybe they would like a waste disposal site. I wouldn't object at all if a site were chosen just a little ways north of the Dunvegan bridge. Nothing more than mountain sheep could follow some of those hills. Maybe that would be a real location for it.

Before coming to Edmonton yesterday morning, a group was discussing this. The local electrician in my home town said, why don't they put it in Berwyn. I wonder if there's going to be only one such site for the province of Alberta. Maybe it should be centrally located. Maybe even Olds would be a good location. Then from the extreme north, which is Edmonton, to Lethbridge, that would be quite central. Maybe that's why the members have such a good concern. I would not object in any way. If the minister should decide that's where it should go, he would have my approval.

I must say that I had really good co-operation over the

years from the people in the county, and I would like that relationship to continue. I hope there will be a good understanding. If they still have real concern, it may be detrimental. If that is their feeling, there is no way I am going to push that that site be there. But I do feel that very shortly, the minister will have to designate an area. I say that it should be not only where the members of this Legislature want it, or whether some people for any other reason. I think the best and safest site should be chosen, which is going to serve the entire province. As I mentioned once before, if it is necessary to put it in my backyard, I will provide that accommodation.

Mr. Speaker, I would like to move an amendment by adding "if any" after the words "compensation for damages". The only reason is that it reads: "compensation for damages resulting". One may think damages always result from that. So I move this amendment, and I ask that this resolution and amendment be accepted.

Thank you, Mr. Speaker.

MR. SINDLINGER: I'm not too sure if I understood that amendment correctly. Was the "if any" to be inserted after the word "compensation"?

MR. DEPUTY SPEAKER: Perhaps the hon. Member for Calgary Buffalo would like to take his seat while the response is given.

MR. BATIUK: Mr. Speaker, it's "compensation for damages, if any, resulting from ...". Those two words should come right after "damages". As I mentioned, if it stayed the way it is, one would feel that damages would always be resulting. That was not the intention.

MR. SINDLINGER: Thank you. I thought I heard you say that it would be after "compensation", which of course would not be correct. I thought you would rather have it on the record that it be after "damages".

Now that I am on my feet, perhaps I could take the opportunity to say a few words about the motion.

MR. BATIUK: As amended.

MR. SINDLINGER: The motion as amended. Thank you very much. The question that comes to my mind is the one of ultimate responsibility for actions taken in the private sector. I would not question the need for a waste disposal site in Alberta, because obviously there is one.

MR. CLARK: On a point of order, Mr. Speaker. Wouldn't it be correct if we voted on the amendment before he spoke on the motion?

MR. DEPUTY SPEAKER: Did I understand that the hon. member was speaking to the amendment?

MR. SINDLINGER: No, he wasn't, Mr. Speaker.

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

[Motion on amendment carried]

MR. SINDLINGER: Thank you, Mr. Speaker. In regard to the amendment, I was raising the issue of the ultimate responsibility for undertakings in the private sector. I began by saying that there's no question about the need for a hazardous or toxic material waste disposal site in

the province. I won't get into the debate about where one should be. However, I hope that it would be based on the most efficient location decision matters rather than just misunderstandings about the impact such a waste disposal site might have on a particular locality.

One thing that comes to my mind about this motion is its remedial rather than preventive aspect. It focuses on what would happen if a catastrophe or any adverse effect should occur from a waste disposal site. There's no question that that should be considered, but I also think the responsibility for government should lie more with the preventive features than the remedial. I believe a government should place itself in a position where it ensures, through regulation and permit, that these catastrophes or adverse impacts will not in fact occur.

When we get to the question of who should be responsible for them if something does happen, that has very broad implications. If in this particular case, with a waste disposal site or hazardous treatment plant, it can be said that the government is responsible for any adverse effects from that plant, it is just as easy to extrapolate that logic to other situations and say: if there is a gas plant in my neighborhood and we have adverse impact on the soil from sulphur or acidity resulting from the sulphur or whatever, or if our cattle are adversely affected by the sulphur emissions, or if the human beings in that area are impacted adversely, where does the ultimate responsibility lie?

In one sense a precedent has been set in this province, at the Shell gas plant in the Pincher Creek area. In the early 1960s, if I recall correctly, the citizens of that area complained about health problems which they ascribed to the sulphur emissions from the Shell gas plant. They complained so much that they threatened to go to court. But there was an out-of-court settlement between the gas plant and the local habitants, in the order of magnitude of something like \$470,000 or \$740,000 — I don't recall the number correctly, but I believe it's one or the other — which establishes the precedent that the proprietor of the business is responsible for the adverse impact on the environment, including that on the local citizenry. If that case is followed there, then if we have damages resulting from the operation of a special waste treatment plant, it should follow that the proprietor of that waste disposal or special treatment plant should be responsible for the adverse impact in that area as well. If we say that the government should be solely responsible there, it should be responsible in other places as well, and not just for special treatment plants.

I think about the city of Calgary and when I first saw it. I grew up in the deep south, on a farm just outside Lethbridge. On occasion, we would travel to Calgary. Coming over the ridge 20 miles south, we could see Calgary very clearly. We could see the buildings and the outline of the city. But as the years went by, into the '60s and '70s, coming over that ridge one no longer saw the outline of the city as much as the smog that covered the whole area. That has to be a very visible and measurable damage of industrial and private sector activity in the area. The question is: who is responsible for the damage that results from that? Is it the government, or is it the industries that cause it?

The problem is so extensive now that we can't really ascribe any ultimate responsibility for remedial actions. It has grown to such great proportions that there isn't really one entity that could come back and ameliorate the situation.

I just think that in a case like this, we ought to make it

clear to the people who would entertain having the special treatment site in their locality that there really isn't any more danger to them than there would be from having an industrial or gas plant in their locality, that the government, in its omniscience, prepares regulations of a preventive rather than remedial nature, to ensure that these things do not in fact happen.

There are also implications in this particular motion that are relative to another Bill that was before the House a few weeks ago. That was in regard to the transportation of hazardous goods. After suggestions made by members of the opposition, that Bill has since been withdrawn for further consideration. One of the reasons was that further consideration be given to the responsibility for the movement of hazardous and toxic materials. When we talk about compensation for damages being guaranteed by the operator of the facility or the government of Alberta in the area where a special waste treatment plant is located, we have to bear in mind that the materials are not indigenous to that site. They are transported from other parts of the province. So the question is: in transporting that material to the special treatment plant, who bears the responsibility if there should be an accident and damages result to either the environment or people in the locality?

That question hasn't been addressed by the government of Alberta in its Bill on the transportation of hazardous goods, nor has it been very well defined with the federal legislation that deals with that matter. One can think of an example where any member here might load some toxic or hazardous material on a truck in southwestern Alberta to be shipped to a plant in, say, northeastern Alberta. If something happens en route or at the plant, who is responsible? Is it the person who loaded that truck in southwestern Alberta? Is it the people who operate trains between here and there or people who have developed roads or bridges between here and there? Is it the traffic officials in the cities through which the material must pass? Is it the people who constructed the truck in the first place? Is it those who unload the truck and put the material through the special treatment plant?

Those might seem like very innocuous questions, but they're not to those people who are involved along the route. If a catastrophe or calamity were to occur, given the prospective legislation we have before us today any one of them could be assigned the responsibility and, more importantly, the financial liability. I'm not too sure anyone would like to have that financial liability imposed upon them under these circumstances. It will also inhibit or impair the intentions of people to participate in the movement of these things and their proper handling and treatment at the special treatment plant.

In addressing this motion, Mr. Speaker, I suggest that although the intent of the motion is good, it has broader implications in that the proponent should not just stop with a special treatment plant but should also apply the principle inherent in this motion to other industrial activities and facilities in the province. If the government does assume responsibility in this particular case then it must, by precedent, also assume responsibility with regard to other industrial sites in the province.

Thank you, Mr. Speaker.

MR. STEWART: Mr. Speaker, I think it's timely that this motion is before us in this particular session. For several years, this government has been grappling with a realization that hazardous waste treatment in this province does not reach the expectations of most of the

public, recognizing that we have other areas, that have been industrialized for a longer period of time, that do not have a very good track record in what happened to some of the hazardous wastes in those areas. I believe it's a responsibility of this government to come forward with legislation and a solution to the disposal of chemical hazardous wastes and any wastes that would be deemed hazardous to the health of people of this province. Their ultimate disposal should be done in a manner that would not harm some future generation through contamination of air or water.

We recognize that industrial by-product wastes developed by the upgrading of some of our natural resources are probably the greatest percentage in volume. We should also recognize that each of us has had the advantage of the use of modern technology. I use as an example everyone who has used electricity, and I guess that doesn't leave too many people out. Until recently, the transformers that hang around the towns and in the countryside probably had some of the most toxic material as a coolant. We also have to recognize that while we are debating this issue, chemicals are stored throughout this province in many different forms and, if allowed to leach into the soil, will probably permanently damage that particular area from a health point of view for a long period of time.

The former speaker mentioned the transportation of wastes. I think an added dimension we have to address is how and in what manner we can move waste from whatever area of the province it is generated in to a proper disposal area, with the least hazard to the health of the people along the way. If we think about waste disposal, our sanitary landfills today are absorbing quite a degree of material that, if properly classified, would come under what we would consider hazardous waste.

We recognize that industry, with its own technology, is able to dispose of a lot of their own by-products that are hazardous in nature — some by deep-well injection, some by further distillation and, ultimately, some by capsule storage.

[Mr. Purdy in the Chair]

I recognize that waste disposal has many facets. There are many different procedures that can be used ultimately to control the products that we feel no longer have value to us, but it is important that they be kept from contaminating the air, water, and land that we live on.

I think the department has done its best over the last several years to bring the problem in front of the people in a manner that is best understood. They put out a pamphlet on a bimonthly basis called *Environment Views*. It identifies many ways of handling hazardous wastes and identifies the problems. Some solutions to the problems, as they are handled in other jurisdictions, are fairly well explained. I believe there is a certain nervousness on the part of a lot of people in this province. They recognize the problem of hazardous waste, but they are unsure of any suitable method of ultimate disposal. For that reason, they feel that a hazardous waste plant in their area would ultimately put them at greater risk than the rest of the people in the province.

I am of the opinion that what we are doing at the present time — bidding our time and leaving a lot of the responsibility to industry to find a means of controlling their own waste problem — is not a good solution. From an environmental point of view, we're probably at a greater risk today than if we were living in close proximity

ty to a hazardous waste plant. I can't conceive of a plant of that nature being developed without built-in safeguards to control, to the best of their technical ability, any spread of waste material from that plant that would be hazardous to health. I would rather trust the disposal of hazardous material through a plant that's qualified and specifically built for that purpose than consider what I'm afraid is going on today. Figuratively speaking, a lot of it is being swept under the rug, some to our sanitary landfills and some of it in storage in metal containers that will eventually rust out.

I don't think we have the luxury of a lot of time before some will inevitably get out of whatever type of container it's in, either leach out of the landfill site or the rusty barrel will eventually spring a leak. Then we will be faced with the problem of trying to clean up after the fact. We've had the opportunity to study what's available in the technology of waste disposal of this nature throughout the world and find that in some jurisdictions they are far more advanced than we are, where we have waste disposal plants in thickly populated areas where people understand the situation and recognize the fact that the plant is capable of controlling the material.

When it comes to the matter of compensation, I believe we are all beneficiaries of the development of our resources in this province. We expect government to regulate and monitor the handling of our resources in our industrial plants. I think we would expect our department to monitor the disposal of hazardous wastes. If we believe that the product can be safely controlled through a waste plant, then we ought to believe that proper monitoring of that plant will ultimately be the safest protection we can get.

I'm also concerned that the transportation of hazardous waste is probably our most serious ongoing problem that will have to be addressed. From my point of view, I think the plant itself will probably be one of the safer places environmentally to be exposed to that product, for the simple reason that I think we can devise methods where there will be less possibility of accident than there will be in the transportation.

In addressing this issue, I hope we do not feel that because there was opposition to the location of the plant, that is necessarily going to delay its ultimate construction for any period of time. Certainly with a little more understanding of what technology is available today in neutralizing and controlling wastes that we do not feel can be put back into the land in any other manner — if we believe that this technology is functioning in other jurisdictions, certainly I don't think we need to spend a long period of time before we make some ultimate decision and get on with the final settlement and development of a disposal plant. As other members have said, I feel that if the ultimate site location is a vital factor in the safety, then we're almost admitting that we don't have the technology to control the problem. I'm of the opinion that we do have that technology.

I have to encourage the minister to press on with the responsibilities of his department to develop a sound, safe manner of controlling this hazardous waste in this province. I think it's long overdue. We've studied the situation for the last couple of years. It will soon be time to make a decision on it. I recommend that all members consider this motion. In light of the statements that have been made by earlier speakers, I too will support it, recognizing that the ultimate responsibility will be with the operator of the plant, as in any industrial plant, if there's damage to the environment.

MR. KESLER: Mr. Chairman, I'd like to speak to Motion No. 208. I wouldn't like anyone in the Assembly to think that I was negative all the time. Certainly the motion is very timely. I know that the hon. member is concerned about an immediate problem in his constituency. However, I think it has brought to his attention a need to be prepared for the future, and I commend him for that. I think the province of Alberta has great potential in the petrochemical industry if we're able to rebound from the current economic crisis. Certainly we now have to be implementing regulations and controls so that we're prepared for that advancement.

I think this motion deals directly with probably one of the most severe conflicts that we've had to deal with in trying to establish areas where hazardous waste plants can be established. The concern that has been raised with me is the protection that is available to the residents of an area. The only thing I might disagree with in the motion is "either by the operator of the facility and/or the government of Alberta." If the operator of the facility is a private operator, I think that should be their total responsibility and that it's the responsibility of the government only to protect the citizens who may be affected by any kind of hazardous waste spills or environmental pollution.

Mr. Chairman, I have reviewed somewhat the Hazardous Waste Team manual. I see in the manual that some of their major concerns are public health and safety; protection of the environment; political, social, and economic environment in Alberta and Canada; protection from political or industrial interference; and continuing research and development. As I've gone through the manual, I'm concerned that we have no established standards by which the government can gauge and implement policies. It's important that we have specific standards established. I know that we deal with hazardous wastes every day. Occasionally there are spills, and we have to deal with them. If residents in an area where these proposals were being made had specific standard guidelines they could follow, I think it would make it much easier for them, especially with this new proposal that's been presented today. If they had those standards in place, along with this type of legislation, it would resolve many of the problems facing the Minister of the Environment today in dealing with the problem.

In the recommendations outlined, they talk about distance and the relationship it has to the hazardous waste disposal units. They recommend that they be not more than 100 kilometres from the industrial areas; for example, Calgary or Edmonton. In those cases, if they're going to transfer materials great distances, I wonder if the minister shouldn't be considering other alternatives as they're presented on the merits of the areas and not just on acceptance by a few people in an area. I want to make that point, because it appears to be an area of conflict at this time in Beaver county.

I think the most important thing about the motion presented today is public trust. That's important to any government. Hopefully it's important to this government. It's significant that this would go a long way in developing that trust in relationship to whoever happens to establish hazardous waste disposal units. They will feel that government — whether or not it's private sector operations — is taking the role it's intended to take; that is, to protect individuals in society from gross negligence on the part of someone else in society. I think that's certainly the role of government. As I said before, the only part of the motion I find negative is where government would be-

come responsible for problems with pollution or waste contamination. I still say, if the private sector is creating the problem, they must be responsible for looking after and dealing with that problem.

I'll end on that note. I certainly endorse the motion, and hope it is accepted by the Assembly.

DR. BUCK: Mr. Speaker, I'd like to take part in the debate on the resolution this afternoon. Sitting in on many meetings of the Hazardous Waste Team that was responsible for setting up public meetings, some very interesting things came forth. It seems that it is too easy for us as citizens to say, it's always someone else generating the problem. It came through loud and clear at some of the public meetings that we as consumers are all responsible for generating waste. A very simple example: what do we do with crankcase oil? I would hazard a guess that probably 95 per cent of crankcase oil, on the farm or when you service your own car, is just thrown out on the driveway or anyplace. It's polluting the environment. But we always seem to think big industry is causing the problem. Individuals as well as industry are causing the problem. Another one we take for granted: what do dry cleaning establishments do with their dirty solvents? They either flush them down the sewer or take them to the sanitary landfill site and dump them.

Mr. Speaker and members of the Assembly, the point I'm trying to make is that we are sitting on a time bomb in this province. We are generating industrial waste, and we are generating waste as individual consumers. We think the problem will go away if we keep dragging our feet long enough. But it will not go away. So it behooves this government to take some action. The people of this province are expecting government to provide leadership and get things done.

When the question first arose in the Fort Saskatchewan area, it's quite interesting that there was an automatic emotional response: it doesn't matter where it goes; it will not go here. After several public meetings, when people were informed what the plant would do and how it would get rid of the wastes, that hue and cry died down considerably. Now you can go to people in most areas and explain what you are trying to do and how you are trying to do it, and they will at least listen. The minister can take that compliment back to his Hazardous Waste Team. They are getting the message across to Albertans. It's not just one sector's problem. It's a problem that covers us all, that we should be concerned about.

Some positive steps have been taken. The Department of the Environment now has collection sites where all herbicide and insecticide cans can be taken and disposed of. It's a very positive step. The department should be proud of that record, Mr. Speaker. We're one of the first provinces that has taken that positive step, and it is a step in the right direction.

We cannot just blame it on industry. Industry has been well aware that they are generators of hazardous wastes. They are concerned and willing to co-operate with government. They are willing to put their dollars in, because it is a problem we all have to lick.

When I was a member of the legislative committee that looked at the workmen's compensation programs in West Germany, Sweden, and the United Kingdom, it was very interesting to tour some of the facilities, especially in the Republic of West Germany. Closed circuits, Mr. Speaker; they generate waste and dispose of it all on the same site. In a small country where you're cheek to jowl, industry knows it cannot pollute the environment. The environ-

ment cannot stand that kind of abuse. So in that area, industry was concerned. Another thing that impressed me is that right across the street from a factory, you would have rows of houses. In a small country with a high population density, it is critical to make sure you do not pollute the atmosphere, water, or soil.

Mr. Speaker, it is a problem. I appreciate the fact that as we get closer to an election, nobody wants to ruffle anyone's feathers. That's just part of the political process, [interjection] The hon. minister says: ruffle anybody's hair. That doesn't cause me a problem. Feathers, maybe yes; but hair, no. It is a decision we cannot keep putting off indefinitely. It is an emotional issue, but it's the responsibility of governments and us as legislators to indicate to our citizens how important the issue is and that we should take some action.

The area of sanitary landfill sites is one that I'm sure the Department of the Environment agonizes over very much. We know the leaching capacity of compacted garbage, especially when it gets into the water table. It's difficult to find soils so impermeable that it's foolproof. But in fairness to the Department of the Environment, they're trying. I have confidence that the Department of the Environment has pulled together the expertise, people who know very intimately the problems of disposing of hazardous wastes. I'm sure I would take in good faith their expert opinion that if a site is going, it's going to work and not endanger anyone.

There will always be that emotional situation where we know it has to go someplace, but don't put it next to my farm, my building, or my town. Mr. Speaker and members of the Legislature, it's encouraging that there are areas in this province that say: we welcome that industry into our community; it will provide jobs and, in our own minds, we are sure the technology is sufficiently safe that there will not be a problem in our community. I would say to the minister that that is a progressive step. We are informing the people what we're planning to do, and they are responding positively.

Mr. Speaker, as the Member of the Legislative Assembly for Clover Bar, having the centre of the petrochemical industry in my constituency, we know we are generators of hazardous wastes. We know the problem has to be licked. So we have always been willing to co-operate with the government to try to solve the problem in that area.

The question the member specifically gives thought to is compensation. Mr. Speaker, there's an old Latin expression I believe lawyers use: *res ipsa loquitur*, the fact speaks for itself. That's about the only Latin I remember from my college days. I like that term. It has a nice ring to it. It's obvious that people who are going to be inconvenienced have to be compensated. That's one fact of living in an organized society. The problem is there. I have confidence that the Minister of the Environment and his team will use good judgment and consult with the people, as they have so painstakingly done. Mr. Speaker, it's a problem we must address ourselves to. It's time we took some positive action.

Thank you.

DR. CARTER: Mr. Speaker, I want to commend the Member for Vermilion-Viking for bringing the motion to the Assembly. I would also like to commend the Member for Vegreville for his appropriate amendment, which was carried so expeditiously by the House.

Of course the whole matter of dealing with special wastes is an issue which has been building throughout North America, particularly in recent years. With regard

to the province of Alberta, it's one of the natural spinoff effects of the policy of trying to diversify our economy and take advantage of our natural advantages, the natural resources we have in this province. So with respect to Motion 208, it is fairly appropriate that we almost take for granted the assumption that a special waste treatment plant will be established somewhere in the province.

Following on the comments of the Member for Clover Bar with respect to this government giving it high priority and a high profile and dealing with it with careful consideration, I think some evidence is to be seen not only in the whole concern of the Department of the Environment but by the fact that the minister is in the House with us this afternoon listening to the debate. I for one would also like to commend the minister for his attentiveness with regard to any of the issues I brought to his office on behalf of the constituents not only of Calgary Millican but those in the whole southeast quadrant of the city of Calgary.

All too often over the years, that quadrant has been seen as a dumping ground in many respects. It has a very high light and heavy industrial profile. It's only in the last three years that the shift has taken place with regard to increasing the residential component of that area. Of course that has brought on other ramifications with regard to all sorts of environmental difficulties with respect to air quality control, the matter of smells, and this other matter of trying to reclaim former industrial sites for the purpose of residential development.

With respect to the motion and the phraseology "a special waste treatment plant", it's interesting to be driven back to some definitions and to realize that treatment methods really cover a fairly extensive spectrum of possibilities: from the thermal, incineration, or high temperature disposal to the other more common occurrence of secure landfill; perpetual storage involving identification, monitoring, and provisions for constant care. That can conjure up all sorts of images of monitoring by computers or having special personnel who devote their lifetime to looking after hazardous or special wastes.

The matter of recovery: when we think of special wastes, all too often we think of it all as garbage, having no recoverable components. That is not necessarily the case. For example, there is room for reclamation of metals or oils. Land treatment also brings other kinds of facilities. Some of the waste will naturally decompose over time. But there are other special wastes where you have to have special kinds of containers, with respect to the landfill site itself or the particular type of chemical waste put there.

We also have the aspect of physical treatment where filtering or emulsion breaking could take place, or chemical treatment where we could have neutralization or oxidation. Perhaps we have facilities in this province whereby we can do deep-well injection; the waste liquids are injected into geologically sound underground formations. Finally we have biological treatment where we hope the special waste will be dealt with in a biodegradable fashion, decomposition by the use of bacteria.

I support having a special waste treatment plant in Alberta, even though some people would say: oh well, Calgary Millican is used to having that kind of material just left lying around, so why not have the member from there support the motion and perhaps even advocate that there might be a site somewhere in the southeast quadrant. I'm not so sure that's really what I'm here to advocate today. But I wouldn't be a bit surprised if some persons in the province would advocate that that quad-

rant of Calgary get that kind of facility. We have enough difficulties in that area with respect to landfill situations. There are at least three different landfill sites within that quadrant, overlapping the constituency of Calgary Forest Lawn.

I come back to one of my earlier points. In the deliberate attempt to deal with the diversification of Alberta's economy, effective management of our resources, and various spinoff industries within this province, it is only logical that we are going to have the spinoff of other effects, such as special wastes. While we as a government have been working toward this broadening and diversification of the industrial base of this province, we now have to deal with special wastes. It is difficult to envision that at the moment we may well have 100,000 or 150,000 tonnes of special wastes generated yearly within this province.

It is rather interesting to look at one of the lists the Department of the Environment provides as a guide to some of the special wastes that are generated within this province. Many of us need to be reminded that we haven't really thought before about some things on the list; for example, acids, alkalis, contaminated soil and sand, solvents, oils, oil and solvent mixtures, pesticides, sludges, pathological wastes. The Member for Clover Bar is quite right that we as individuals generate a lot of the special waste in the province. For example, when you go into hospital and have one of your limbs amputated, that comes under the heading of pathological wastes, as well as other material that is generated in research and medical laboratories. But a fair number of us don't stop to think about that as being part of the definition of special wastes. Also there are heavy metal solutions, inks and dyes, polychlorinated biphenyls — which the Minister of the Environment pronounces far better than I — aqueous chemical wastes, photographic processing and hydrocarbon chemical wastes, and solid chemical wastes. All members of the Assembly and residents of the province realize that a broad spectrum of material is generated.

It is quite obvious that within the last 10 years — and I would think within the last five years in particular — there has been a heightened awareness within the minds of the general public that waste does exist, and something ought to be done about it. We have an increased public awareness, which was not the case five to seven to 10 years ago. For example, a lot of dumps have arisen within the province. I think that the 40 acres I own in the Cypress Hills was conveniently used as a dumping ground for a lot of material by some of the rural ranchers and some of my neighboring ranchers. I don't really regard their past experience coming under the heading of good neighbors. But when I go back and look at that little coulee and the pile of junk there, I begin to wonder if perhaps I should look for a better landfill situation located somewhat closer to Medicine Hat, where I might be able to dispose of that material.

We know that wastes exist, and it's my understanding that we have this real problem of disposal. I think a number of us need to try for a moment to conceive of the immensity of the problem of dealing with excavation of a site, trying to truck tons and tons of material — gravel, sand, or whatever — which has become contaminated. Just two weeks ago, I went to view one of these sites after I had been given the location of the site, thanks to co-operation from the minister's department. As I arrived at the site, I was really quite taken aback by the sheer amount of material that is going to have to be disposed of in one way or another.

A number of times I've gone and watched the dismantling of the former CIL explosives plant in Calgary Millican, the care with which it had to be taken apart, and the amount of time, energy, and dollars expended to remove a very large plant site. It boggles the imagination to see the kind of work done. It's also a challenge to your imagination to realize that all that material was being trucked and deposited not in Alberta but across the U.S. border all the way to the state of Oregon. I think that's one of the real concerns. While we have the generation of special wastes in this province, we cannot really expect that forever and ever, amen, we're going to be able to ship all this stuff all the way to the state of Oregon. In time the border will be closed to transportation of such

DR. BUCK: Amen, brother.

DR. CARTER: Amen, brother, to you too.

With the closing of the U.S. border, the whole concern is: where does the material go? Perhaps some could suggest that it would all go to our brother's constituency of Clover Bar. Or we might take advantage of our colleague from Vegreville, who says he's willing to have it in his backyard. He must have a very large backyard and very understanding wife and neighbors. Nevertheless, I think the motion directs us and the department to face the reality of life, that we need to have this type of facility in this province if we are to be able to encourage industries to develop further.

I must confess that when I go through the constituency of Calgary Millican and look at a number of abandoned industrial sites — not only the old CIL site, but the old Imperial Oil refinery, for example, and other locations within the constituency which have now had the buildings removed — I wonder how the department can possibly keep on top of monitoring all these situations. A concern I have is that this is not simply a provincial jurisdictional difficulty. We also say that the other side of the coin is private industry. I agree to that, but I think a fair degree of responsibility is laid upon the shoulders of municipal government as well, especially in identifying sites which probably have contaminated material put into the soil at one stage of the game.

Here again we come back to heightened awareness in the last number of years with respect to this problem, whereas, for how many years in past history and in how many constituencies have we had various enterprises consciously or inadvertently contributing to the difficulty of special wastes? Now we have the very real difficulty, especially in Calgary Millican, of new housing developments and new commercial endeavors taking place which employ a number of people. All these people are being asked to either work or live on sites where we have some really serious concern about what environmental damage took place with respect to the soil.

The transportation of special wastes is of great concern in the constituency of Calgary Millican. We have storage of material on railroad cars in the Alyth yards, the boundary between Calgary Millican and Calgary Forest Lawn, and another storage facility on the main line of the CPR running through the Ogden and downtown areas of Calgary Millican. In the south Dover area, we have another marshalling yard for the Canadian National Railway, the Sarcee. So we have that just from the point of view of rail transport. We have the Glenmore Trail, the Deerfoot, and the Barlow. All these transportation corridors are areas which are obvious natural routes for the

transportation of special wastes.

So I say that within the ambit of the motion, due care and consideration would have to be given to the whole matter of transportation and, from my personal point of view, it would hopefully be under the jurisdiction of one private enterprise organization, so we don't have special wastes transported somewhat higgledy-piggledy throughout the whole province.

In the matter of site location, I'm quite certain that all the effective criteria will be put in place: the concerns for ground water, surface drainage, and soil conditions; the matter of geological suitability and stability, and climatic factors. But above all, public safety would be the main component given consideration in the establishment of such facilities.

I think one comment needs to be made on the matter of site location. It is up to the local residents to have proper input with regard to that matter. Due consideration should be given to their cares, concerns, and worries, as well as their hopes. Oftentimes I think our decisions are made on the basis of outside interventionists, who are really there for purposes other than the safety of the local residents.

Mr. Speaker, I speak in favor of this motion. I know that due consideration will be given to the matter of compensation, whether it's in the form of insurance or some other form. On this point, I agree with the Member for Olds-Didsbury. In terms of my personal opinion, I would like to see the facility put in place as soon as possible. It would be operated by private enterprise, and they would be the ones responsible for compensation.

Thank you, Mr. Speaker.

MRS. CRIPPS: Mr. Speaker, this afternoon I'd like to discuss the amended motion. The treatment, storage, and disposal of special wastes is very important. Today's motion deals with the environmental effect of these wastes on man. Unfortunately the effects of man and man-made wastes on the environment are detrimental.

Waste is any substance for which the owner/operator or generator has no further use. Special wastes are those which, by their nature and quantity, may be detrimental to human health or the environment. One major issue which must be addressed is the differentiation between wastes which can be safely recycled and those which require special treatment, such as incineration. While today we're essentially talking about special treatment, such as incineration, I think it's important to look at the possibility of recycling wastes closer to their origination. One aspect of special wastes discussed many times at public meetings was the reduction of waste production. Since we have become a throwaway society, consumer demands only increase this problem.

Mr. Speaker, this afternoon I particularly wish to address my remarks to the preferred waste treatment where possible; that is, recycling. Recycling has advantages. It reduces the requirement for non-renewable resources, and reduces waste to a more manageable volume, putting less pressure on landfill sites and on the need for such a plant as we're discussing this afternoon. Recycling creates a basis for a new industry, and provides useful employment where none existed before. It must be understood, however, that the recycling industry generates its own hazardous waste which may not be amenable to further recycling. Of course that's where the plant under discussion this afternoon would come into effect.

Mr. Speaker, recycling is a method of handling special

waste which can safely be recycled on or near the spot of production. I would like to point out the benefit of such a recycling facility at Drayton Valley. I'd like to point out that there has been no damage to the area. Now in operation over eight years, the recycling unit, the Pembina Separators, takes in liquid waste from the surrounding areas as far away as Edson, Rocky, New Sarepta and, of course, the West Pembina. The liquid waste is hauled in by vacuum tank truck. Many of these wastes are what are known as the dirty dozen. The dirty dozen include oil wastes or sludge, spent acid wastes, chemical wastes, water solvents, spent alkali, metal-bearing sludge, contaminated soil — and that can be anything, and it's very hard to define — tannery wastes, tank bottoms, infectious wastes, cyanide wastes, and photochemical wastes.

The first two, oil wastes and spent acid wastes, make up 50 per cent of the wastes in Alberta. Pembina Separators process an average of 16,000 barrels a year, and can remove 75 per cent of the wastes included in the dirty dozen.* That's by volume, not by number. The wastes are heated to 180 degrees plus, which melts the wax and allows the dirt to settle. The oil is then run through a wash system which takes out the finer solids. When 5 per cent or less of the solid is left in the oil, the oil is run through a centrifugal separator, much like the cream separator any of us who were raised on a farm are familiar with. It works on exactly the same principle. They are able to process 10 barrels an hour, so there's no major volume going through. That would be 240 barrels a day. The water is cleaned and neutralized with chemicals, then hauled by tank truck to Mobil Oil for injection purposes. The water must meet the Pembina river standards, and every load is sampled, as Mobil Oil has extremely tight specifications. The oil is cleaned to pipeline specifications, and is sent to the refinery or put into the pipeline system. The owners of the incoming liquid may be charged up to \$6 a barrel to clean and process it, or paid up to \$8 a barrel, depending on the quality and value of the recoverable product. In recycling, 90 per cent of the waste is water, so getting rid of the water is a major problem. I think the cities run into the same 90 per cent problem, because of the effluent you see discharged into the rivers throughout the province. This is an example of industry working to get rid of its own waste.

Mr. Speaker, I'd like to emphasize that I believe the first thrust of government in solving this problem of special waste should be to encourage and assist private industry to recycle their own wastes. In this case, assistance could be given by providing a water disposal well. The operation is totally non-funded by government. There is no government involvement at all. One of the problems is that the water that can't be cleaned to injection specifications still must be disposed of. That has to be hauled to, I believe, Thorsby. I think there is a water injection well somewhere around Thorsby. In any case, a water disposal well is too expensive for industry or a disposal plant to drill, because it's 3,000 feet or more. They have to go down to the Belly River zone. This is one area where government could assist by providing water disposal wells fairly close to the location of waste recycling plants. If the government can enhance the attempt of industry, then we'll limit the problems of waste.

This afternoon I talked to the municipal representative out there, and he said that Pembina Separators have done a great deal to clean up the waste problem in the Drayton Valley area. He said there used to be wastes in ditches and at plant sites. That has all been cleaned up, because all these wastes are now hauled to the recycling

plant and made useful again.

Another example of industry and government co-operation is the pits which used to surround every battery. At every battery there was a pit. When they cleaned the lines or the pressure valve blew, you had oil all around the battery site. The companies and the ERCB got together and said: we can't have this anymore; it's too dangerous. In fact, most of those pits usually caught fire sometime in the middle of the night. I suppose it was accidental, but it was a way of getting rid of the oil waste. Now every pit has a pop tank. Any oil that blows off goes into this tank. If it's dirty, all the oil that goes into this pop tank, or the muck that comes out when they pig the lines, is hauled to Pembina Separators and recycled. Mr. Speaker, that's an example of industry and government getting together and deciding that there is a problem, establishing guidelines for the solution of the problem, and attempting to solve it. Quite frankly, they've done an excellent job.

Mr. Speaker, I support the motion and continued effort by the government to encourage this kind of involvement by industry, especially the reduction of special wastes by recycling at the local site wherever possible.

MR. CLARK: Mr. Speaker, it's a pleasure today for me to speak on Motion 208. I'd like to congratulate my seatmate, the Member for Vermilion-Viking, for bringing this motion forward. I would like to speak on about five points: one, is there really a need for such a plant in Alberta; two, should industry or government run the plant, or should industry be responsible for their own wastes? Also, I would like to talk a bit on the safe treatment of wastes and what it means, what the safe site would be, and transportation.

I'd like to start with the need for a plant. I guess we have to look at what is happening in Alberta today. As the hon. Member for Calgary Millican suggested, as we diversify our economy into industry, we are going to have a waste problem. The fact that we have a waste problem in Alberta today shows that the diversification of our province is taking place. But just how fast is Alberta being industrialized? The information I have is that 13 major petrochemical plants now have permits to build in the 1980s. Seven are actively pursuing a permit, and six are just looking at Alberta as a future home for other petrochemical plants.

There doesn't seem to be any really precise information in Alberta on how much industrial waste is generated within the borders of Alberta every year. From the information I could find, they estimate that 180,000 tonnes of industrial waste were discarded in Alberta in 1979. Most likely, this doesn't take into account many of the wastes discarded on farms and by industry that the Department of the Environment had no knowledge of. The industry of agriculture uses a lot of very highly toxic chemicals, and they are currently being disposed of on the farm. No doubt they are finding their way into local garbage dumps, creek beds and, maybe in other areas, into our surface water supply.

I don't believe the industry of agriculture itself would be enough to warrant a plant of the size and magnitude that the environmental people are now looking at for Canada. But you add the number of chemical plants coming on stream, and we have the potential in Alberta that if we don't do something now, I believe we're going to be in very serious trouble with industrial wastes within the province. So I believe there is a growing need for a plant for the safe disposal of industrial waste. I hope the

*See Hansard, April 15, 1982, right column, paragraph 7

Minister of the Environment and his department will take steps to do this before it becomes a problem of such magnitude that it's very difficult to control.

During the war, I was stationed at St. Thomas, Ontario. They had a little electric railroad that ran by our station, and it was called the London-Port Stanley railroad. We used to call it the late-and-poor service. We'd get on it every night and go to Port Stanley. At that time, Port Stanley was one of the nicest beaches in Ontario. It was on Lake Erie and, for a boy from the prairies, it was really something. Even the people from B.C. thought it was one of the nicest resorts they'd ever seen. A few years ago, a friend of mine who was stationed with me at that time returned to Port Stanley to show his wife what a lovely beach they had when we were in the air force. He found the dance hall, where we used to dance over the water, had fallen into the lake. The entire area was roped off, and nobody was allowed on the beach. There was a green scum about 4 inches thick over the water. This was in a few short years in a lake the size of Lake Erie. So you can see that the problems with pollution are real, and we will have them here if we don't take steps to correct them. So I say again, there is a need for a plant and there is a need to take care of our environment.

The other area I wanted to speak a bit on is: should industry have the responsibility to take care of their own wastes in each individual plant, or should they be taken care of by government taking the lead to set up one large plant? The Member for Clover Bar suggested that in some areas they take care of their plants. In some of the smaller countries, it's right on site. The first thing that comes to my mind is: can we trust private industry to do the job that is really necessary in this area? I think we could if there was a profit in it, so they could see they were going to make money at the end. I think they would do a good job, and it would probably be very economical for us. There is a profit in part of waste management, but after you've taken the wastes that make the profit, some toxic wastes are left that have to be disposed of. I believe that's where the government comes in. It has to take the lead.

Another worry I have about each industry having its own disposal plant is that it would be very much like having a small waste plant in many areas of Alberta and, as we know, every plant has a certain amount of allowable pollution, very much like our sulphur plants in the sour gas fields. But we sometimes forget the cumulative effect of these plants. One thing you would be faced with would be a bunch of independently operated plants having an allowable factor for pollution discharged into the atmosphere or into the ground. I have always been worried about this, even in our sour gas plants. The problem of this accumulation is one of the major reasons I believe we should move the waste into one large plant where it can be monitored and controlled to a better extent. I see no problem with private industry running the plant, but I believe it should be a plant where all the waste goes, so we have better control.

Just a little on safe treatment and what I believe it should be. This is quite simple. I believe you shouldn't discharge any chemicals into waste dumps without special treatment. I don't believe that's being done now; I hope it isn't. I don't believe that any liquid should be put into deep-well injection without it being cleaner than what's there. I don't believe that any liquid chemicals should be disposed of in landfill sites. I believe that if you have a toxic chemical that cannot be disposed of safely, it should be capsulized before it is disposed of.

These are some of the things I was looking at in the safe treatment of hazardous chemicals. The other part is a safe site. I think a safe site has to be chosen carefully. I don't believe you can expect to have it in an area where the wastes are generated. Some people say, you generate the waste in Sherwood Park; I don't think you'd put the waste chemical plant there. You'd move it to a sparsely populated area. Although we know it can be safely disposed of, it would be much safer in transportation and at the site if we got it into an area with less population.

[Mr. Speaker in the Chair]

In closing, Mr. Speaker, for the good of Albertans, I believe that Alberta must have a plant for the safe disposal of chemical wastes. The government must take the lead to see that the plant goes ahead as soon as it's reasonably possible. When the site is picked, the people in the surrounding area must be treated fairly, and government should make sure that they can get some type of compensation if they suffer any damages. In my opinion, no industry — no matter how many jobs it creates and no matter what the financial return to the province — could justify the pollution of our water, air, or land in this province. The government is in a position where they must take a stand to protect our environment. In order to preserve our oil, gas, and agricultural industries, we must take steps for the safe disposal of chemical wastes. We found this country pollution free. I hope we leave it to our future generations as close to that condition as we can.

Thank you, Mr. Speaker.

[Motion as amended carried]

MR. HORSMAN: Mr. Speaker, this evening the House will deal in Committee of Supply with the continuation of the Department of the Environment. If that is concluded, it will be followed by Federal and Intergovernmental Affairs and Hospitals and Medical Care. I move that when the House reassembles this evening at 8 o'clock, it does so in Committee of Supply.

MR. SPEAKER: Does the Assembly agree that when members reassembly at 8 o'clock, they will be in Committee of Supply?

HON. MEMBERS: Agreed.

[The House recessed at 5:21 p.m.]

[The Committee of Supply met at 8 p.m.]

head: **COMMITTEE OF SUPPLY**

[Mr. Appleby in the Chair]

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

Department of the Environment

MR. CHAIRMAN: We are considering Vote 2.

Agreed to:

2.3 — Water Quality Management	\$2,119,972
2.4 — Municipal Water and Sewerage Management	\$143,128,624
2.5 — Earth Contamination Prevention	\$2,303,035
2.6 — Waste Management	\$6,441,722
2.7 — Chemical and Pesticide Management	\$2,115,617

MR. MAGEE: Mr. Chairman, before you conclude the vote, I asked some questions of the minister last evening. I wonder if I could have a response to Vote 2.2.

MR. COOKSON: Mr. Chairman, the Member for Red Deer did ask questions with regard to the value and use of trees in terms of the environment, particularly around the urban centres. I think the observations were made with regard to that.

None of the votes in Vote No. 2 are involved in any way with production or shared cost of trees. I think the member should raise that question again when we are reviewing the estimates of the Associate Minister of Public Lands and Wildlife, since that particular area comes under that minister's department, in terms of forestry. In addition, there is some shared costing in the votes through Agriculture. Both those departments are involved in various programs for tree planting for shelter belts and for the uses the Member for Red Deer suggested. But there is no money in Vote No. 2 or in any of my votes, for that matter, for shared cost of trees.

Agreed to:

Total Vote 2 — Pollution Prevention and Control	\$159,299,430
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3.1 — Program Support	\$126,425
3.2 — Land Conservation and Reclamation	\$2,651,208
3.3 — Environmental Assessment	\$1,714,385
Total Vote 3 — Land Conservation	\$4,492,018

4.1 — Program Support	\$99,193
4.2 — Surface Water Development and Control	\$65,050,856
4.3 — Water Resources Administration	\$11,120,221
4.4 — Operation and Maintenance of Water Resources Systems	\$6,919,691
4.5 — Data Collection and Inventory	\$6,273,161
4.6 — Water Resources Planning and Co-ordination	\$6,462,732
4.7 — Groundwater Development	\$1,446,588
Total Vote 4 — Water Resources Management	\$97,372,442

5.1 — Environmental Research Co-ordination	\$1,625,619
5.2 — Alberta Oil Sands Environmental Research	\$1,917,319
Total Vote 5 — Environmental Research	\$3,542,938

6.1 — Administrative Support	\$2,322,233
6.2 — Environment	\$4,593,000
6.3 — Municipal Affairs	\$250,000
6.4 — Culture	\$1,287,400

6.5 — Recreation and Parks

MR. MANDEVILLE: Mr. Chairman, could the minister give us a brief breakdown on just what this consists of. I see there's \$4,600,000 for Recreation and Parks. Is this

for purchasing new parks or for additional land for parks? Could the minister just give us a breakdown on how this money is to be spent?

MR. COOKSON: Mr. Chairman, in these votes, each different department — Municipal Affairs, Culture, Recreation and Parks, Energy and Natural Resources — makes a case on their own estimates as to the funding they require. Then it's included in our budget. The Minister of Recreation and Parks could probably detail this — I know I have the notes somewhere, Mr. Chairman. Essentially it's for the establishment of 6 of 10 new parks in different parts of the province. We're involved since we have to purchase the land for the parks.

I just can't place my hands on the list. I might run across it before we get through the evening, Mr. Chairman. I can go back and check. But essentially it is for . . .

MR. CHAIRMAN: Perhaps we could refer back to it before we take the final vote.

MR. COOKSON: Yes.

Agreed to:

6.5 — Recreation and Parks	\$4,600,000
6.6 — Energy and Natural Resources	\$2,950,000
6.7 — Economic Development	\$311,000
Total Vote 6 — Land Assembly	\$16,313,633

7.1 — Program Support	\$2,475,840
7.2 — Plant Sciences	\$1,631,233
7.3 — Chemistry	\$2,811,365
7.4 — Animal Sciences	\$2,513,660
7.5 — Environmental Technology	\$1,744,337
Total Vote 7 — Interdisciplinary Environmental Research and Services	\$11,176,435

Total Vote 8 — Overview and Co-ordination of Environment Conservation	\$1,500,761
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MR. COOKSON: I have a little more information for the Member for Bow Valley. In their submission under 6.5 in their '82-83 estimate, Recreation and Parks indicated they would require \$250,000 for acquisition for new provincial parks or recreation areas; in addition, \$2,850,000 for acquisition for existing provincial parks or recreation areas, and \$1,500,000 for special purposes. That doesn't give the detailed breakdown, but I know the member could get that during the estimates under Recreation and Parks.

Agreed to:

Department Total	\$298,991,305
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MR. COOKSON: Mr. Chairman, I move that the votes be reported.

[Motion carried]

Department of Federal and Intergovernmental Affairs

MR. CHAIRMAN: We go next to the Department of

Federal and Intergovernmental Affairs. Does the minister wish to make any opening remarks?

MR. JOHNSTON: Mr. Chairman and members of the committee, I would simply make three or four brief comments. First of all, this will be the 10th year the Department of Federal and Intergovernmental Affairs has been in place. I'm requesting a modest budget of about \$5.5 million from the committee and the Assembly to carry out the intergovernmental co-ordination of the province of Alberta, and am requesting support for a staff of about 66 full-time employees.

I will simply note, as I'm sure all members are aware, the past year has seen the completion, or the return to Canada, of a Canadian constitution, a very important event we will be celebrating within two weeks when the Queen arrives in Canada to proclaim a Canadian constitution which, as I have said before in this House, reflects the priorities of our Assembly set out in numerous debates in this House and, in particular, the Alberta amending formula. In my view, this is quite an accomplishment since, in fact, we've been trying to resolve the constitution for about 115 years. Over the past 10 or 12 years, many conferences have attempted to find an amending formula; none to any success.

At the same time, Mr. Chairman, the budget this year includes the expansion of one new office in New York city, which will serve the province primarily in the energy field, to provide a listening post in the eastern American markets in New York and Washington where American decisions are made. Over time I'm sure this will be a very important information centre for the province of Alberta, coupled with the information on market and other sorts of intelligence we have throughout the world in other offices we operate.

Finally, Mr. Chairman, I would simply extend a word of thanks to the members of the department, who have worked diligently over the past year, and I hope we can continue to serve the province in a similar manner in the future, attempting to co-ordinate the activities of the department on an intergovernmental basis and dealing with policy issues exclusively.

Mr. Chairman, I'd be glad to entertain any questions the members may have.

MR. R. SPEAKER: Mr. Chairman, the first comment I'd like to make is with regard to the number of people. I didn't realize there were 66 people in the Department of Federal and Intergovernmental Affairs. I say that basically because, one, there's never been any real basic research, if that's what they do, presented or tabled in this Legislature — any type of total background papers, some in terms of the constitution, I'm not sure it came from Federal and Intergovernmental Affairs. Background papers on the energy agreement — it seems like the Minister of Energy is working on that, and that it comes from that department. The hon. minister Mr. Schmid looks after the whole area of international trade. I'm not sure there are that many special conferences or that it takes 66 people to organize them.

I would say to the hon. minister that the accountability of what those people are doing has to be much better than it has been up to this point in time. Because the production we see from this side of the House is minimal, and other departments of government can carry on those functions. One of the cries of the Provincial Treasurer when he sat on this side of the House years ago was: go to Ottawa and do something; get Ottawa to change the

system in terms of coal and royalty policy. Now we have in this Lougheed government a minister who is supposed to do some of those things, but the ministry doesn't seem to be a front-liner in those responsibilities. Other ministers are carrying the ball.

We have 66 people somewhere, running around Canada and Alberta, in backrooms of this Legislature Building. When we ask for information or details in the Legislature, it's all hidden and never produced for us. The results that have come out of it in terms of the energy agreement, which was a sell-out — not in my words; it's a sell-out in the words of many Albertans, both rural and people in the oil and gas business. If that was the kind of research, I think maybe a good percentage of them should be released, because that was some bad advice to government, whoever did that. If it's in the Energy Department, maybe they should take the responsibility. But it seems as though Federal and Intergovernmental Affairs has its hand on all these things and is supposedly guiding some co-ordinated approach with Ottawa.

We've moved through the constitution. We have no strategy laid out to us as to the remaining items to be debated in terms of property rights that this government doesn't seem to be completely against. The Prime Minister says the western provinces, not the federal government, didn't allow property rights to come into the constitution. We have never had that answered in this Legislature, nor have we had the position of this Lougheed government presented to us.

In terms of native rights, a meeting is being held. But Federal and Intergovernmental Affairs doesn't really seem to be at the forefront of fighting for the natives of this province. They seem to be doing backroom work, political work, instead of carrying the ball for Albertans like they're supposed to. It's not a front-line department at all. This little bit of preliminary remarks of the minister is totally inadequate and insufficient for us to even vote funds for a department such as that.

The problems of Albertans today are problems that have been confronted between the relationship of Alberta and the federal government.

MR. COOK: Are you going separatist on us, Ray?

MR. R. SPEAKER: The alienation of western Canada is real in the minds of Albertans, in terms of economic and political inequities. The minister is not a carrier of the ball for Albertans on any of these things — a very quiet ministry that doesn't fight for Albertans. We have the Premier making a hollow cry to Albertans two weekends ago that we were going to fight against Ottawa. We've had a ministry in place for 11 years that hasn't even made any dint in an Ottawa presentation.

I think the minister should stand in his place tonight and present the background material to us. What kind of strategies are in place? What is the co-ordinated effort that's going to be used in the next year to deal with Ottawa on some of these very pressing problems that confront us? But they're not there. Maybe it's this close-to-the-vest, hide-the-act kind of approach this government uses and, all of a sudden, they're going to send an edict out to Albertans, industry, and whoever it is as to what we've accomplished. Albertans don't think that's good enough. They want to be involved in the process as it's evolving. And it's basic to that kind of approach that Federal and Intergovernmental Affairs develop a relationship between Alberta and the Ottawa government.

At the present time, I'd have to say that that relation-

ship is not one of trust as it should be. The minister should be able to stand in his place and say: I am building a trust in negotiations by doing this — and we can list four or five areas that are very evident — I am opening the door between Alberta and Ottawa by doing this. But in this Legislature, and from public forums, I have heard nothing to that effect. That's where the minister has to be answerable in this House, and present the picture, strategy, and co-ordinated effort that really is meaningful.

This bit about using 66 people — and sure it's a modest budget, \$5 million. It's 5 million taxpayers' dollars; it's a 13.6 per cent increase over last year. If we get 13.6 per cent of results over last year, that's not too much anyway. I think it's incumbent upon the minister to be more accountable to this Legislature; really show there is some leadership coming from Alberta with regard to that ministry. If not, then we should cancel out this \$5 million; let the other ministers who seem to be carrying the ball, carry the ball. This ministry is not a carry-the-briefcase type of ministry. It's a ministry that should be leading the relationship between Ottawa and Alberta. At the present time, it's not.

MR. KNAAK: Mr. Chairman, I want to make a few comments on this department, especially in light of the fact that I was a director in that department some time ago, and have some familiarity with what goes on there. I notice the budget has grown quite a bit, and the responsibilities have grown considerably.

We have a Prime Minister in Ottawa who has a fundamentally different view of what the country should be than what we have in this province. We have a government in Ottawa which believes in socialistic policies. We have a government in Ottawa that believes in centralizing power. On the other hand, we believe that the thrust should be for provinces to exercise their rights under their constitutional responsibilities, and to insist on the exercise of those rights under their provincial responsibilities. How does one establish an environment of co-operation when we have two fundamentally opposing points of view? The best that can be done is the best you can do. And it's not very good when you have a Prime Minister like we have.

I think the Leader of the Opposition wouldn't disagree that the accomplishment that the Premier, with the support of the Minister of Federal and Intergovernmental Affairs, has accomplished in the constitution is nothing less than remarkable. We have the Alberta amending formula, and we have in the constitutional proposal every right we had before, plus some more. Those are gains.

The other comment I want to make is a bit humorous. I notice the Leader of the Opposition talking about no property rights. I guess his colors are slowly changing with that of another party affiliation; I don't know.

MR. KESLER: Don't say it, don't say it.

MR. KNAAK: It didn't sound like him talking a few weeks ago. I want to address that question of property rights, and to what extent the Department of Federal and Intergovernmental Affairs looked after those property rights. I don't understand where this issue of property rights comes from. Why do we have property rights? Where do they come from? They're inalienable rights we inherited from the British. It was translated here. It's the common law. Britain, from whom we've inherited part of our constitutional rights — the unwritten part, the

common law — doesn't have property rights enshrined anywhere in writing. Our property rights exist because of our common-law history.

The jurisdiction over property rights remains with the provinces — Section 92. Nothing has changed in the new Constitution Act. How are they protected? The judiciary in Canada is totally independent. We're not a banana republic in Canada. Property rights are protected by an independent judiciary, who are appointed for life. They're not influenced by politicians. They can't be threatened by the Prime Minister or any other person. They protect your property rights. You don't have to worry about it one little bit, Mr. Chairman. They're there, and they'll always stay there. Anyone who says that property rights aren't protected now, are either ignoring the facts . . .

MR. R. SPEAKER: How about Joe Clark? Joe Clark said so.

MR. KNAAK: . . . or doesn't understand them.

MR. R. SPEAKER: Why was he fighting for it in the House of Commons?

MR. KNAAK: I don't believe that Joe Clark said that, but if he said that, he too is wrong.

MR. CHAIRMAN: Could we have order please.

MR. KNAAK: Mr. Chairman, there's absolutely no doubt about it: nothing has happened to the inalienable property rights we've always had. They haven't changed one little bit, and they're protected by an independent judiciary.

The last point I wish to discuss is the energy agreement. One can't forget the environment in which the energy agreement was reached. I might remind the Leader of the Opposition that he and the Member for Spirit River-Fairview were the two gentlemen who pressed hardest to reach an agreement at any cost, [interjection] What we have is certainly a lot better than the national energy program. And as the Premier has indicated, we're going to see some changes for particular sectors of the energy industry which will improve it further.

Mr. Chairman, in conclusion I want to remark that the department has matured and it has grown considerably. Having been there when it originated — actually I was the first director of constitutional and economic affairs of that department — I can compliment the minister and say that significant progress has been made in that department. We're proud of him.

Thank you.

MR. GOGO: Mr. Chairman, with regard to the department which operates under the Federal and Intergovernmental Affairs Act, I couldn't help but be interested in the response of the Member for Olds-Didsbury to the comments by the Member for Edmonton Whitemud. I think there's hope for the hon. Member for Olds-Didsbury yet, because he seems to be continually coming around to being in concert with some of the policies adopted and pursued by this government.

AN HON. MEMBER: He's really a Tory.

MR. GOGO: Mr. Chairman, the comments I want to make to the minister: I had the good fortune of being allowed to attend and participate in the western premiers'

conference not so long ago — last May, I believe it was, at Lethbridge in my home riding. This impacts on the comments of the Leader of the Opposition. In attendance were obviously the four premiers. Sitting there and observing the discussions which went on for several days, I couldn't help but be impressed with the very solid preparation done by the minister's department. I don't mean to belittle the other provinces, and our Premier was not the chairman of the Canadian premiers at the time; naturally he was chairman of this particular meeting. I was so impressed with the preparation the minister's department had done. There was a book there that covered every possible contingency. That, I submit with respect, does not happen.

MR. R. SPEAKER: Why don't you table it in the Legislature?

MR. GOGO: It was done obviously by some of these 64 people who were there last year. I don't know how many that would account for. I was very proud to be a member of the government when I saw the preparation that had been done. I'd like the minister to perhaps pass that on to his staff.

Secondly, although I was not privy to it, I have access to a television and had the opportunity in the past couple of years of watching our Premier at the first ministers' conference. Again, although our Premier is pretty outstanding, he obviously was not enunciating positions that he himself did all the work on. It was done by somebody. Who had done it? I believe the Department of FIGA did that preparation. Over the past couple of years, I don't think any member of this Assembly, on either side of the House, could quibble about the very, very strong presentation made by Alberta's Premier, or indeed the strength of his arguments in terms of the constitution, the energy agreement, and lately the economic side. I submit that unless someone else is prepared to identify it, that credit must go to FIGA; they did that work.

Thirdly, Mr. Chairman, last year I had the opportunity of visiting the Hong Kong office en route on a CPA trip.

DR. BUCK: Did you lay the groundwork for Fred Peacock?

MR. GOGO: I met Mr. Pickering, who is now here in Edmonton. On the way home, because you're half-way around, I had the good fortune of visiting Alberta House in London. In discussions, the Agent General, Mr. McKibben, indicated how well prepared he was in carrying out the policies of this government, with regard to the onslaught of certain people to England with regard to patriation of the constitution. Again, I submit that when one looks at the budget, 40 per cent — for those who think it's a large budget — is for the Alberta offices in Hong Kong, England and, as the minister has mentioned, the new office in New York. Mr. Chairman, I have been very impressed with evidence I've seen that FIGA has carried out.

I would like to close on these two comments. It seems to me that the very nature of FIGA — and the Member for Whitemud almost alluded to this — is somewhat cloak-and-dagger. They're people who don't often get the credit. But unless they do the groundwork, there is no success in sight. Although the minister's not blowing his horn, I think the evidence is before us — come April 17, the constitution; the energy agreement that's been concluded — that somebody did their homework. If the

members of the opposition don't think FIGA did the work, I'd like them to identify who did it.

Mr. Chairman, my closing comment is in the form of a question. When the minister sums up, could he indicate the participation of this government — the minister's office certainly, and perhaps the Premier's office — when the constitution is here on April 17?

Thank you.

MR. D. ANDERSON: Mr. Chairman, I would like to make a few comments to begin with and then ask the minister a few questions. First of all, I'd like to congratulate the minister both on his managing of the department and on the excellence of the department. I seldom get incensed when opposition members rise in this Assembly and question government programs. Indeed that is their job and something that should be done regularly and with some depth. But I find the comments by the hon. Leader of the Opposition misleading, incorrect, and indeed not in keeping with the kind of support we should be giving the civil servants who've done an excellent job in this particular regard.

DR. BUCK: How do we know? [interjections]

MR. D. ANDERSON: Mr. Chairman, I'm glad that the hon. members in the opposition are indicating they don't know where. I guess that is indicative of the comments the hon. leader made on property rights, that show he hasn't even read the new constitution, let alone understand it to any degree.

MR. R. SPEAKER: I think the hon. member can make all the statements he wants . . .

MR. CHAIRMAN: Would the hon. leader be on a point of order?

MR. R. SPEAKER: On a point of order. The hon. member is talking about whether I know something about property rights. His fine leader in Ottawa, Joe Clark, talks about property rights and espouses the position . . .

MR. D. ANDERSON: Mr. Chairman, could we clarify who has the . . .

MR. CHAIRMAN: The hon. Leader of the Opposition will have an opportunity to rebut if he wishes.

MR. D. ANDERSON: Yes, I would be more than happy to hear some reasonable points from the Leader of the Opposition when we move on with this discussion.

Let me just indicate that I believe that if those 66 people in the Department of Federal and Intergovernmental Affairs had achieved nothing else than providing the background, expertise, and indeed much of the back-room discussions required to conclude the constitutional agreement, which we now have returning to the country on April 17, they would have achieved far more than any 66 people in the history of this province. Mr. Chairman, for the first time in history, that constitutional agreement puts in black and white the safeguards that Albertans and Canadian have for their particular rights. In this province, it gives us equality and guarantees it for all time. It guarantees our ability to participate in this nation as an equal partner. It was in the face of a package from the federal government that would have changed the nature

of this nation, that would have made it very difficult for this or any other province in western Canada or, I suggest, the Atlantic provinces, to work effectively in Confederation.

Mr. Chairman, I had an opportunity to attend with the Minister of Federal and Intergovernmental Affairs just one of the many sessions held to discuss the constitution with the council of ministers last summer. It is my opinion that the Alberta delegation was better briefed, better organized, and more capable of doing their job — not at all to question the abilities of other provinces — than any delegation there. I was extremely impressed at all times with the briefing material provided, with the background work done, and with the position the minister was in to represent us.

I might say, too, that the comments of the hon. Leader of the Opposition with respect to the minister's low profile confused me to a great extent. Indeed, when I had a chance to observe those discussions, it was the Minister of Federal and Intergovernmental Affairs who in most cases, not just many, led the negotiations, led the discussions on the part of our province and most provinces and, I believe, achieved a great deal more than perhaps the public knows in full, but certainly that the Leader of the Opposition should be able to discern from the constitutional agreement that was concluded.

Mr. Chairman, with those few comments, I would like to ask the minister a couple of questions. When I was with the constitutional committee — again another bit of evidence with respect to the work done by the Department of Federal and Intergovernmental Affairs, that provided us with briefing material on the situation in every province and territory as we travelled — I became convinced, in travelling the Atlantic provinces, that much of our future in terms of the negotiations necessary to keep this country together, in terms of just communication with those four provinces in eastern Canada, and possibly with the evolving oil industry in that part of our country, will require somebody in that part of the country to deal with those issues and communicate for us on a day-to-day basis. Would the minister comment on whether he has given consideration to a Federal and Intergovernmental Affairs office located somewhere in the Atlantic provinces, presumably Halifax, and whether he plans to look at that possibility for next year's budget, since it's obviously not in the budget this year.

I'd like to have some details, if possible, on what plans there are for the April 17 celebrations; I think the Member for Lethbridge West indicated this. As well, is the minister in a position to indicate to this committee tonight what kind of planning is being done with respect to the outstanding issues in the constitutional discussions? Now that we have guaranteed and secured our rights in the constitution that is coming home on April 17, is the department looking at how we might change federal institutions, maybe redefining the Harmony in Diversity document which was originally put out in 1976, and giving us some game plan for that direction?

MR. KESLER: Mr. Chairman, I'm interested in all the talk of guarantees that the hon. member just mentioned, how we have guarantees through the efforts of the Minister of Federal and Intergovernmental Affairs — I think I'll just call it FIGA. As the name of the hon. Leader of the Opposition at the federal level has already been mentioned, I'd like to read a short excerpt from one of his speeches. It was made just after the bell-ringing incident. Perhaps the hon. minister at the provincial level

could educate the hon. Leader of the Opposition in how to conduct his business.

These are the words of the Leader of the Progressive Conservative Party in Canada:

The Liberal government, acting without Parliament, has taken a series of measures, some large, some small, which steadily diminish democracy in Canada.

Perhaps we're reaching the banana republic you mentioned.

They have, for example, authorized the establishment of civilian internment camps in Canada.

To the hon. Minister of FIGA, isn't that interesting?

They have passed an order-in-council which gives the Prime Minister, in a time of emergency — a condition they have not defined — the power to control information services in the country — that means the media and other services of information. They have eliminated public hearings on rail line abandonment, despite the fact that those are required by the regulations of the Canadian Transport Commission. They have nearly doubled the price of stamps. All of that without a word of discussion in the people's Parliament.

That same government, twelve years ago, used another Order-in-Council to throw 465 Canadian citizens into jail without charge.

The hon. minister from the province of Alberta guarantees us that the Bill dealing with the emergency planning order is nothing to worry about. No problem. Mr. Pinard told us he would act extra-legally and without legislation to implement it. However, there's nothing to worry about.

We can relate to a Bill just introduced that caused some controversy, Bill C-94. Again we're reminded of the security we have in Canada and the concern our provincial minister has for the welfare of the province of Alberta. The title of Bill C-94 is some eight lines long:

An Act to amend and enact provisions related to the Petroleum Administration Act, the National Energy Board Act, the Foreign Investment Review Act, the Canada Business Corporation Act, the Petro-Canada Act, the Energy Supplies Emergency Act, 1979 and the Oil Substitution and Conservation Act; to repeal the Energy Supplies Emergency Act; to amend An Act to amend the Petroleum Administration Act and the Energy Supplies Emergency Act; to amend the Adjustment of Accounts Act; and to enact the Petroleum Incentives Program Act, the Canadian Ownership and Control Determination Act, the Energy Monitoring Act and the Motor Vehicle Fuel Consumption Standards Act.

Now certainly none of those things pertain to Alberta, and we shouldn't be concerned about them. They're not going to affect any Albertans, because they're federal issues. All I hear from the minister is, that's a federal issue. Every time there's a question in question period, he won't deal with it because it's a federal issue. It's my understanding that the minister's job is to represent Alberta and defend this province on those issues that infringe upon our rights in this province. And every one of those things are going to infringe upon our rights as Albertans in this province. Every one of them.

We go a little further, and we get into another area. This is the effect it's going to have. It's going to

raise taxes without Parliament, the power to expropriate land . . .

I think that's interesting. The power to expropriate land. Property rights don't mean much when he has already

implemented, or is implementing through Bill C-94, the right to expropriation of land. You're going to say they already have that right; we don't have to worry about it, because it's already in place. It's interesting that even though it was there, they're reaffirming it in this particular Bill.

... the power to raise the price of gasoline — 28 cents a gallon so far, 70 cents a gallon in the future ...

Of course, that won't affect Albertans. We don't have to run equipment in this province, to grow grain, to raise cattle. It will never affect us in Alberta, so we shouldn't be concerned about it. It's a federal issue.

... the power to create an unlimited number of crown corporations for any purpose ...
and goes well with this government

... the power to pass retroactive regulations, the power to buy energy companies ...
and goes well with this government

... and then to force you to pay for them through special taxes.

As I read that, I know why the hon. minister doesn't do anything. They're involved in the same practice as the federal government.

It is a very dangerous bill and I invite you to consider some of the principles which are put into question in this legislation.

That comes from the hon. Leader of the Progressive Conservative Party of Canada. Of course, because he's federal, maybe their policies are different from ours at the provincial level.

Finally the most basic principle. More than six centuries ago the institution of Parliament was created to stop the king from taxing without consent. By this bill the Trudeau government would tax without consent and set aside centuries of responsible government.

My question to the hon. minister is: what kind of policy does he have in place to stop erosion of the rights of Albertans? What kind of guarantees does he have that these things will not destroy the economy and the fibre of the people in this province?

Mr. Clark goes on to say:

Canadians know that something is wrong ...

It's amazing that the minister in Alberta doesn't know there's something wrong. He seems to defend his position on a regular basis.

They know that there is something wrong with [the] energy program ...

I find that interesting. The Leader of the Opposition in Canada says he knows that the people know there's something wrong with the energy program, and all we hear is that the spirit of the energy agreement was broken. Here the Leader of the federal Opposition says everybody knows something is wrong with it, because it's destroying the backbone and the fibre of the industrial sector of our province.

And he goes on and on. But they're federal issues, so we shouldn't be concerned.

[The] energy policy drove 270 drilling rigs and service rigs out of Canada in just 15 months.

I wonder how many of them were from Alberta. I imagine that at least 90 per cent were from Alberta.

[The] energy policy contributes to a 49% drop in mineral exploration spending in British Columbia and the Yukon this year.

But we have all those guarantees in the constitution. We don't have to worry about orders in council. This year, we've only had 3,500 orders in council by the federal

government, 3,500 laws by order in council.

We talk about the emergency planning order; you don't have to worry about that. But there was another order in council back in the early '70s dealing with metrication. People didn't have to worry about that either. It was voluntary. The hon. minister is a little older than I am. He can remember that. It was a voluntary program in the early '70s. Today it's compulsory, and if you fail to comply you can spend two years in jail or get a \$5,000 fine. But we didn't have to worry about metrication then either.

I find it interesting that when I asked the hon. minister the question in question period, that's a federal issue, the minister wasn't concerned with it. But then I get into the annual report and find the metric conversion branch on the back cover, a provincial branch for metric conversion. I understand laws have even been implemented in Alberta to dovetail with the federal plan, and we have all these little goodies outlined here. Perhaps the hon. minister knew better than the people that it was going to become compulsory, and thought that if they just let it boil long enough the people would accept it. At a time of economic crisis, when they don't need the added burden of expense in their lives and businesses, it's compulsory. But we can always look to the spirit of the agreement and survive on that, providing that spirit isn't broken like it was with the natural extermination program — energy program.

I want to talk a little about the constitution, because it seems to me that it's a fairly important issue. After going through the orders in council, the emergency, planning order, and Bill C-94, I'm not so sure we have any security in this constitution, and I'm not so sure we're that far away from the banana republic mentioned by the hon. member.

I'd really like to know if the hon. Premier and his minister fought to have property rights omitted from the constitution, as mentioned by the Prime Minister the other day. We gain absolutely nothing by having that constitution brought home. I found it interesting the other day when I talked about flying the flag at half-mast, and got a speech from the hon. minister about loyalty to the Queen — loyalty to royalty. But if you think about it, bringing that constitution back to Canada severs the relationship we've had with Great Britain. That's what it does. It severs it; it doesn't strengthen it at all. I'm sure the Queen isn't very pleased about the way she's had to deal with it. I'm certain that I wouldn't be.

The issue of property rights remains very cloudy in the constitution. Property rights are not entrenched as rights of Canadians in the new constitution of Canada. They should be, and indeed they must be. They are not enshrined as rights of Canadians. I recognize that the provinces fought against having them entrenched. They feared that the mention of property rights would lead to the federal government using it to interfere in areas that have always fallen under provincial jurisdiction. But this is not an important issue in the property rights area, because property rights are the inalienable rights of people of this province, and as such, they should be entrenched in the constitution. I want to reiterate that they are the inalienable rights of the people, not the province.

I agree fully with the view that jurisdiction of and responsibility for the protection of rights should fall to the provinces. But the rights themselves are human rights, basic human rights that each of us has to have in order to reach our potential, be productive, and succeed in life. I'm not just talking about land; I'm talking about property, real property. As such they should be entrenched in

the constitution of Canada and Alberta. They should remain a part of Canada. They should be an inalienable right of the individuals of this country and this province, and they are not.

I find it somewhat discouraging that as the federal government continues to implement policies that encroach upon our rights, liberties, and freedoms, we have a minister in our province who in fact has totally ignored the concerns of the people in this province, and is able to justify his stand by always referring to those issues as being federal issues. If the hon. minister has no solutions, then perhaps the hon. minister should talk to the Premier and consider calling an election so that someone who has some solutions can get on with the job.

AN HON. MEMBER: What are they?

[Mr. Purdy in the Chair]

DR. PAPROSKI. Mr. Chairman, rising to speak on this particular vote, I'd first like to compliment the minister and his department for the top-rate activity they've been carrying out; very extensive activity, I might say, over the past year — so extensive that I think we've never seen so much action in one year vis-a-vis the Alberta government and the federal government, ranging from the constitution, of course, to economic affairs, equalization payments, and so forth.

Mr. Chairman, when I hear what the hon. Member for Olds-Didsbury speaks of, to imply that we have not dealt with the federal government in a very effective way is really to close one's ears, eyes, and mind to the reality of what in fact has happened. Mr. Chairman, I'm very disappointed with him, and his comments tonight especially. He displays a lack of knowledge of the facts. I don't know whether it's lack of knowledge, Mr. Chairman, or whether he really chooses to ignore the facts as interpreted by the majority of people in the province of Alberta, the majority of legal minds. The fact is that rights of Albertans are protected under this constitution. It is a fact. They are protected under this constitution.

Now you're always going to get one segment of our society — there's always a legal mind in some corner of our society who will interpret a law in a different way. That person or persons, in a very minority way, may interpret that way if they wish. But we're talking about Alberta. We're not talking about another province or the federal government.

Mr. Chairman, the hon. member speaks of civilian internment camps. That was dealt with in a very clear way by the Minister of Municipal Affairs. He did not choose to rebut tonight what he said, but merely repeat it over and over again. I have no intention of repeating what the Minister of Municipal Affairs stated, because it is documented in *Hansard*. As he's indicated, if anything happens by regulations or otherwise, then again we will do what we have to do to protect that situation.

He speaks of the federal government and the negative action. Well, Mr. Chairman, throughout the whole year, in the past two or three years, that's what it's all been about. That's why that department is so important to us. Not only that department, but every member in this Legislature participated in one way or another, including the opposition members, to give us the necessary thrust to take to Ottawa, to counter those negative effects on interest rates and natural energy policy in the constitution.

So I can only stand here and say, in a very proud way, that the Federal and Intergovernmental Affairs Depart-

ment was very successful — and thank God they were. I know that the members of that department and all the ministers who assisted in a very definitive way had a difficult task. As difficult as it was, we were successful in the vast majority of items. Much to be done yet; no one's arguing that. But the hon. Member for Olds-Didsbury would choose not to work it out. He would walk away from it all. I say that Albertans are not of that temperament. They stand and work it out in a compromising way.

As a matter of fact, Mr. Chairman, I suggest that not only Albertans, but the vast, vast majority of Canadians do that. They stand, they compromise, they offer solutions, and they work it out. After all, we've been around for over 100 years. It's a pretty darned good country, the last time I went around and compared it with other countries in this world — as a matter of fact, without question the best country in the world.

We've offered new ideas on interest rates, very fresh ideas on how the federal government could reduce interest rates. No one can ignore that. We don't have to track the United States government interest rates. The federal government has to listen. It takes a little time for the federal government to wake up. They had a difficult time waking up about the constitution. Remember the formula in the constitution is the Alberta formula. It took them a year and a half. [interjections]

MR. DEPUTY CHAIRMAN: May we have order please.

DR. PAPROSKI: The hon. Member for Little Bow is obviously a little distressed, but I just can't hear what he's trying to say.

We as members of the Legislative Assembly went around this country at a most difficult time when, the constitutional debate was at the lowest level. They said we can't have it our way; our property rights are going to be taken away; our resources are going to be taken away. We said, no way. Members of the Assembly went around this country and talked about it. They convinced other people and other governments, and finally we have an Alberta formula that is translated into the constitution and protects the rights of each citizen in this province. But you know what, Mr. Chairman? More importantly than that, not only are Alberta's rights protected as a result of Alberta's action, but other provincial rights. As a result of Alberta's actions, there are no second-class provinces in Canada.

Mr. Chairman, we offered new ideas on the constitution. That was done. We offered new ideas on interest rates. Hopefully it will be done. We're offering new ideas on compromising the energy policy. Although we obviously have a better energy agreement than we had prior to that, but there are still refinements to be carried out. The energy agreement that was finally signed is good for Alberta and for Canadians, but it can be improved. Nobody denies that. We're offering new ideas for economic recovery across this country as well as for Alberta.

We've assured human rights in this province, Mr. Chairman. Have we forgotten the Bill of Rights? It's the Bill. All Bills have to accommodate to that particular Bill, and the protection of rights is well defined in the constitution that will be here in two weeks. Property rights are protected for Albertans. Resources are protected, and they are the provinces' resources. Mr. Chairman, rights are not only protected now, but for future generations. So there is no question that the department has not done

its work very well by protecting the rights of the citizens of Alberta, the rights of Albertans in general but, by virtue of that action, it's protected other provincial rights for other provinces.

For the other activity going on in London, Hong Kong, New York, Ottawa, and Tokyo, I hope the minister would not be gingerly in that area, because I think it's very important that that activity be maintained and augmented wherever necessary. We know that Alberta has to do the pacesetting when it comes to economic exports. The federal government won't do it for us alone. They've been giving us a helping hand, but we know that it's just not good enough. So we have to go out there and hustle our rearends, if you wish, to make sure those export markets are there and bring them to Albertans. For that matter, everybody in Canada will benefit as a result.

To ignore Alberta's presence in these areas of the world — to evaluate, to report, to respond, to bring about the needed connection between the government out there, whoever they may be in New York, Tokyo, and so forth, and the free-enterprise entrepreneur here — would be to ignore a very important segment of doing business. Again we can't ignore that reality, and I hope the minister will take that to heart — I know he has — not to be gingerly in that segment of his department. To say 13.6 per cent is too great an increase, when other departments in all these estimates are considerably higher, really indicates that the department is doing a fantastic job, even with a small increase. It probably should be a lot higher, and I hope he would not hesitate to increase it.

Those are my brief comments, Mr. Chairman. Thank you.

MR. COOK: Mr. Chairman, I'm going to be very brief. The hon. Leader of the Opposition said we should have a strategy for federal/provincial relations. I looked up the word "strategy". I was a little curious to see what it meant. He was talking about us trying to be conciliatory and reasonable in working things out with Ottawa. In the Oxford dictionary, strategy is

Generalship, the art of war ... management of an army or armies ...

The guy wants a fight, Mr. Chairman. When I was listening to the opposition ...

MR. R. SPEAKER: Mr. Chairman, could I ask the hon. member a question?

MR. DEPUTY CHAIRMAN: If the hon. member will entertain it now.

MR. COOK: By all means, sure.

MR. R. SPEAKER: I just want to know if the hon. member was at the annual convention of the Conservative Party on the weekend and heard the words of the Premier: we're going to declare war. So what's the war strategy? Simple as that.

MR. COOK: Mr. Chairman, I didn't know the hon. leader was there. I understand he's in search of a party right now. I didn't realize that he'd joined us, or perhaps he's running for leader of another party. I understand from reading press reports that he might be looking for another party as well. For \$3 — and maybe I could intercede with the Premier — he could probably sign up. We'd certainly consider it. But we don't plan any leader-

ship races in our party for quite a while, so he'd have to relax with that.

MR. Chairman, I just want to make the point that the hon. leader was talking about strategy. Strategy has been defined as generalship, the art of war. This is the guy who wants us to avert war. We didn't declare war, Mr. Chairman. We have a nice family dispute, and we're going to try to settle it in a friendly and amicable way.

MR. R. SPEAKER: Where were you two weeks ago?

MR. COOK: I was there, Ray. You might have been watching on cable. But for \$3, you can join the real thing. Mr. Chairman, I was just thinking when I was listening to the Leader of the Opposition, or the retread Socred, or whatever he is this week, it's amazing what we as a province have accomplished over the last couple of years. We've done pretty well on the constitution. Yes, there are still some things on the agenda that have to be solved. But by and large that constitutional package is pretty respectable, and one we can live with. The energy package has some flaws. But by and large, it's a pretty good deal. It's a lot better than Ottawa was proposing to begin with. I thought the department and this government did very well on the established programs financing. We made some changes there. We didn't get everything we wanted, and we're still not entirely happy.

Mr. Chairman, I remember when I was in school, there was a concept called "creative tension". It was pointed out that in a lot of great countries when there was unanimity and people just sort of all agreed and headed off in the same direction, the country didn't develop very well intellectually, emotionally, or physically. It helps when you have problems to solve. That's the real test of true character. Surely in this country, we have some tremendous opportunities. I think of it as being creative tension. We've got some problems, yes, but let's solve them.

We've got one advocate of separation in the House. It's sort of a defeatist attitude. It's really a sad kind of approach to politics when you've given up, and you say, I'm going to get out. I sense that in the Leader of the Opposition. He's given up. He's given up the Socreds, and he's now giving up on the country. It's sort of like circling the wagons and shooting inward. I think what this province needs to do — and what we're doing — is not circle the wagons. That's a defeatist attitude. Instead of shooting ourselves, we've got to shoot Grits.

AN HON. MEMBER: Look at Newfoundland today.

MR. COOK: Yes, the Newfies did it really well tonight, Mr. Chairman. We won big, and come the next election, we're going to do the same thing provincially. Maybe if the Leader of the Opposition would like to invest \$6 instead of \$3, he could get both a federal and provincial membership in the Conservative Party. For \$6 more, we'd even get his wife in. He could concentrate on shooting Grits, instead of shooting himself and the rest of Albertans in the foot. That's basically what he's doing, Mr. Chairman. He should not be so trigger-happy with the gun in the holster, but he should get ready to shoot Grits.

MR. KNAAK: Mr. Chairman, I did want to respond to some of the comments by the Member for Olds-Didsbury.

MR. COOK: He's not here.

MR. KNAAK: The reason I want to talk about it generally is because if you listen to him often enough, you begin to think there's a world out there that, in my view, doesn't really exist.

I think most of us agree that the Trudeau government has not been a good government for Canada or for western Canada. We've seen our Canadian dollar drop from \$1.05 to 82 cents. We've seen the inflation rate rise from 6 per cent to 14 per cent. We've seen unemployment rise from 4 per cent to 8 per cent. We've seen a country divided. We've seen separatism start in Quebec. But we've got a great country here, and no prime minister lasts forever. No person lasts forever, and the country will be together after the Prime Minister is gone. But the point I really want to address is a little formula I have.

How do you judge anything? You don't listen to what they say; you listen to what has been done and what has been accomplished. Anyone can make a good speech with enough practice. So what has happened to Alberta? What has the Conservative government accomplished while we've had this Trudeau government in office, tearing the country apart? In Alberta, we have the fastest economic growth rate. We have the highest employment rate and the lowest unemployment rate. We have the highest per capita income and the highest disposable income. We have the lowest taxes. We have the lowest energy costs. We have the best farm support programs in the world. By all measures, we have the best standard of living in the world. This Conservative government has accomplished that with the Trudeau government in office. Are we saying that this government hasn't achieved an outstanding result in the face of that Prime Minister?

MR. COOK: They're spoiled kids.

MR. KNAAK: It's continuing. All I say is look at the facts, look at and measure reality, and don't delude yourself, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Would the hon. Minister of Federal and Intergovernmental Affairs like to respond?

MR. JOHNSTON: Mr. Chairman, it's been a far-ranging exchange in the last few minutes. Obviously I want to pick up on some of the points raised by several members.

I would simply start by going back over some of the responsibilities of Federal and Intergovernmental Affairs. I think it's well known to most of the members here today that the department is not a program department. It does not conduct any programs; it does not have any programs which it delivers. It is essentially a co-ordinating department and, as a result of that, it's perhaps more difficult to enumerate what lead responsibilities the department would have.

I guess I would have to agree, in some sense, that it's somewhat difficult to measure success if measurement of success is done in single or multiple criteria, which most of us tend to use on a day-to-day basis. I must admit that that was part of the problem I faced in this department as well. None the less, I think you can look to the inventory of events which has transpired over the past couple of years, and those inventories themselves point to measured successes. I make no apologies at all for not being able to give quantifiable successes, but I can give some normative approaches to measurements which, in my view, are just as solid a measurement.

First of all, as I said, because of the co-ordinating role, any time there is an interdepartmental relationship with another government, of course the department must be involved. One of the key areas is the Department of Regional and Economic Expansion. Although it has gone through a major change over the past year, there was occasion to negotiate several important subagreements which exist under the umbrella agreement we signed in 1977, which extended for a five-year period to 1982.

One of those was the Nutritive Processing Agreement. This was completed in the early part of 1981, after some very difficult negotiations with the federal government, which was hesitant to provide much in the way of cost sharing to the province, so that very important southern Albertan programs which affect Vauxhall, Enchant, and that area could be conducted. I might note that the nutritive processing grant itself is one of the more successful ones. I would certainly like to hear whether or not the hon. member from Enchant-Vauxhall is supportive or not, because that was put in place after some very difficult negotiations.

In terms of intergovernmental relations with the federal government, in terms of cost-sharing programs, which we are always hesitant to enter into, this one has been successful. It has been one which has been difficult to accommodate over the past year. At the same time, we have some additional agreements outstanding, which we're attempting to conclude now. One of the difficulties has been that the federal government has changed. It's no longer the Department of Regional Economic Expansion. It has been embraced into another department, the Minister of State for Economic and Regional Development.

We're now in the process of trying to conclude a couple of other subagreements, under the umbrella agreement, which would affect tourism in particular, and Alberta North, which must be of interest to the Member for Spirit River-Fairview. Those have been successful and are ongoing discussions which we have under the broad umbrella of joint funding assistance with the federal government.

No need to mention the constitution. I simply note that one member, I forget which one, asked for the amount of travel. I think that in itself is evidence of the activity the department has had over the past year and a half. I would be glad to exchange my travel time with anyone here. It wasn't a very fascinating time to be travelling across Canada every day, every week, simply to try to conclude what seemed to be a nebulous agreement, which in fact turned out to be a concrete agreement and good for the province of Alberta. It took a lot of time and effort. That contribution was made not just by this government but by 10 governments and the federal government. A lot of collective effort went into that. In terms of time and dedication, I can simply state that the preparation by my staff, with respect to the constitution, was in itself a big task. In terms of the work effort, I'm glad that is behind us.

Naturally this department has major contacts with all ambassadors. That itself is a very major role. Because of the popularity of Alberta, the economic vitality, the interest in government, the lead taken by this government, many other countries want to come here and see what's happening. We have seen major efforts by the Minister of State for Economic Development — International Trade. Part of his response has been invitations to other ambassadors and trade officials to come to the province, and they are coming. For example, last week we had the minister of foreign trade from the Republic of France — the first time a minister of France has come directly to

our province. We entertained him and showed him the economic opportunities for France in Alberta. That's the kind of thing we were working on. Every time an ambassador comes, it takes a lot of effort. There have to be receptions and briefing, and those of course are time consuming as well.

While the fiscal arrangements, of course, are the responsibility of the Provincial Treasurer, there are obviously intergovernmental overtones that must be carefully balanced. Part of the responsibility and part of the time over the past year has, in fact, been on the fiscal arrangements which, more specifically, include equalization and established program financing — very complex areas with very difficult solutions, which surely will affect the budgetary performance of the province, particularly established program financing, where there's clearly jurisdictional conflict. Because it is clearly a fact that the federal government is attempting to intrude into our area of education and, more specifically, hospitals. We have spent some time over the past year on that because, of course, it is an Act which is concluding March 31, 1982.

As my colleague the Member for Lethbridge West has mentioned, we were fortunate in the case of Lethbridge to host the western premiers' conference a year and a half ago — a very important occasion to talk about the types of western co-operation which can be developed between provinces, which are somewhat similar in the sense of the three prairie provinces; provinces which are similar because they're western provinces, but which are different because of political attitudes. It is in fact a very difficult task to tie these together. To recognize the positions all governments must take to recognize their own imperatives within their own boundaries and try to work out some kind of reasonable co-operation, is in itself a time-consuming responsibility. I might note that that western premiers' conference was scheduled for April 27 in Swift Current. But because of an intervening election in Saskatchewan, it has now been deferred well into June.

However, there are ongoing studies. For example, we have just completed a major study with respect to rationalization of hospital education. That study, co-ordinated by my department, was a co-operative effort on behalf of the four provinces. They worked with the consultants, and the briefing, the guidelines had to be developed and worked with. From that, I hope we can have some rationalization of provincial expenditures in western Canada, so there's a maximum allocation of that resource; for example, in the way we have done with respect to the veterinary college in Saskatoon, that kind of concept. That's one item under the western premiers' conference, which is a continuing responsibility which does take time.

At the same time, there is the annual premiers' conference. Everybody knows the importance of the annual premiers' conference. Whenever the Premier attends one of these conferences, it is our responsibility to ensure that he is briefed and that the departments are co-ordinated, so there is a concrete, specific, and co-ordinated approach on behalf of the province of Alberta. That is one of the responsibilities which falls to this department. Again, it takes a lot of lead time. There are continuing discussions subsequent to that.

All other first ministers' conferences, of course, fall within the ambit of our responsibility. For example, the November 5 conference with respect to the economy was in fact the responsibility of Intergovernmental Affairs. We had to co-ordinate the efforts of several departments to assure that Alberta had a strong position. On that

note, I appreciate the comments of many members who have said that Alberta has always been well prepared, and that of course is our responsibility.

At the same time, throughout the year at least 75 different intergovernmental conferences have been held across Canada, which various ministers from our government have attended, where debate has been important on subjects which normally are of similar nature to provinces or in conflict with the federal government. At the same time, we must prepare a co-ordinated effort on behalf of the province to ensure that our policies are maintained, and that they're consistent and predictable. Of course we always have to attend these meetings on behalf of the government of Alberta, as well, to ensure that co-ordinating role.

Many members have mentioned that this past year the Legislative Assembly appointed a very special group to study the constitution. We had some research and co-ordination work to do with that. I note that the former leader of the Social Credit Party was on that committee, and I might note that over the year he played a very major role and contribution to Canada, developing the constitution. I might note as well that he agreed with the report written by the committee itself. There was no minority report. In fact there was an endorsement of what the government was doing by the former Member for Olds-Didsbury on behalf of the Social Credit Party.

In a very brief way, Mr. Chairman, those are some of the broad activities. I will be filing the report of the department, which again does not deal with numbers; it deals with positions. That annual report will probably be available some time in the next week, and will point out and assign numbers to these various meetings, should anyone be interested. That's the broad background.

Let me be very clear that we are not a research department, in the sense that we go out and prepare research on certain areas. We have that capability, a very qualified staff with excellent academic qualifications. A combination of qualifications and experience is important. In terms of comparison with other intergovernmental departments across Canada, I think we would be contemporaries to any of them.

Let me turn to the important question several members have alluded to: the constitution and property rights within the constitution. First of all, I appreciate the opportunity to comment on property rights, because much of the debate on property rights has been outside the Assembly. I know the Member for Olds-Didsbury has been arguing for some time that the constitution does not ensure property rights. As I sat here and listened to his comments, I recalled my Philosophy 200 lessons, when a professor came in and gave me a lesson in the Baconian fallacies as philosophic logic. I think everyone of the logical errors was outlined by the member. The Member for Clover Bar was speaking in Latin this morning, and I remember some of these errors. For example, the *post hoc ergo propterea* fallacy was clearly spelt out by the Member for Olds-Didsbury; *secundum quid* — all these Baconian fallacies were outlined by the member. I've never seen such a misrepresentation in my whole life when it comes to debate. I'm glad he is back here, because I only hope that some of your speeches outside the House can now be flavored with the truth, for a change, as opposed to some of the misrepresentations we have seen.

Let me look at the question of property rights. There's absolutely no question that property rights are clearly protected for the people of Alberta, for the province of

Alberta, within the current constitution — absolutely no doubt at all. Let's trace the history of property rights in Canada. First of all, the Constitutional Act of 1791, the Quebec Act of 1840, the BNA Act of 1867, all clearly set out responsibility for property rights and civil rights within provincial jurisdiction. What we really have to debate is who has jurisdiction over civil rights. There's no question at all that the British North America Act, which has been transferred to Canada as our fundamental constitution, clearly sets out the fact that the province has the right of jurisdiction to legislate in the area of property and civil rights. Section 92, a very important section which deals with property and civil rights, is the key area on which all constitutional debate turns. If there's ever a conflict as to whether it's federal or provincial jurisdiction, provincial jurisdiction will be argued with respect to property and civil rights jurisdiction, and federal jurisdiction will be argued with respect to the trade and commerce sections under Section 91. We have that legislation. The legislation is clear. The antecedents are there, going back to 1791, the Constitutional Act, the 1840 Act of Union and, of course, our own BNA Act in 1867. There's no question . . . [interjections] If you'll just listen for a moment; I listened to you. If you just listen to me, you might learn something for a change.

In 1867 the constitution spelt out these two important sections: Section 91 and Section 92. In Section 92, property and civil rights are clearly protected. There's no question about it: we have the right to legislate in that area. Furthermore, every important test case with respect to constitutional jurisdiction has upheld that section. It's not a question of the federal government legislating in the area. They simply cannot legislate there. We are the only government that can legislate in the area of property and civil rights.

What is not legislated is important, and that is the common law of the country. The common law, of course, is the law which relates to the question of relationships between subjects. In the case of property and civil rights, that is included within that broad heading. In the case of common law and of the traditions of our province, the traditions of property and civil rights across Canada, relationships between subjects are clearly spelt out there. It means the case of property transfer and the case of testaments are clearly within the property and civil rights area. To argue differently is simply fallacious and misleading.

Let's look at what is in the current constitution. I've already given the exclusive jurisdiction of the province with respect to Section 92. What is it that the new constitution gives us? Very clearly we can talk about three important sections. First of all, the amending formula. All members in this House have talked about the amending formula, including the Member for — where are you from — Little Bow, that's right, Enchant-Vauxhall. I remember him standing here with the Haultain picture. He kept it behind his back for some time, talking about big Canadians and little Canadians, giving us the word of wisdom to go down to Ottawa and be nice guys. I recall it vividly. What kind of change is this, all of a sudden? What kind of position is he now adopting for political convenience? Where was he? I want to know that clearly, because he was talking here with the picture. We'll want to get a picture of him.

MR. KESLER: The same place as the Indians, fighting for his rights.

MR. JOHNSTON: He was the guy talking about big Canadians and big westerners. All of a sudden, he's changed 180 degrees when it's convenient, because he doesn't know where he stands, [interjections]

Let me tell you what's in this constitution. Let me tell you what's in there. First of all, Section 26 spells out that any rights which were not enumerated specifically are clearly protected within the constitution. It says it right in here. It's very clear. If you want me to read, I can. But I know everybody in here has read it.

MR. KESLER: Then read 52.

MR. JOHNSTON: We'll get to 52 if you want. You didn't mention it, because you were afraid we'd take you on tonight. Section 26 is very clear:

The guarantee in this Charter of certain rights and freedoms shall not be construed as denying the existence of any other rights or freedoms that exist in Canada.

A very wide section: any other rights which we have not specifically enumerated are therefore covered.

I've already mentioned the amending formula. Let me go back to that for a second, because it's very important. We talked about the opt-in clause. What it means is that if there's ever any constitutional change ever in the future of Canada which attempts to encroach on our jurisdiction — and that can read, which attempts to encroach on property and civil rights within our jurisdiction — to protect our people in the province of Alberta, we have the right in this Assembly, our responsibility, to opt out of that change to protect the rights of our citizens. That's the kind of protection we have, and that's the kind of protection you're not telling anyone about. [interjections]

I want to tell you that this amending formula is a very important formula. This is the kind of formula we fought for. This is the kind of priority our government assigned. This is the thing we started with in 1976, with no support across Canada. But it ended up being in the constitution. It ended up being a fact of law, April 17.

There we have a couple of outlines. Some say that the Diefenbaker Bill of Rights is not protected. In fact that's wrong. That's a legislative Act passed by Mr. Diefenbaker. It's still an Act of the federal Parliament. It still has the same power in law. As everyone knows, we have our own Bill of Rights here in the province of Alberta — the first law passed by us, by the way; the first province to have a Bill of Rights. In there is a very clear section saying specifically that the ownership of property of anybody in the province of Alberta is protected.

I think we can list the protections. It must be in the tenth order by now. We go back to the common law. We go back to the traditions. We go back to the unwritten law. We go back to the challenge between what is unwritten and what is written. We go back to Section 92. We go back to the amending formula. We go back to Section 26. [interjection] We go back to every legal precedent there is, every common law precedent there is, and property rights are protected exclusively in this province, and the people of this province know it. Anyone who argues differently, is actually being as irresponsible as anyone can imagine. [interjections]

MR. KESLER: Guaranteed for the province, not the people. That's the problem.

MR. JOHNSTON: Let me now look at the other kinds of misleading representations we saw in the past few

minutes. Let me talk briefly about the emergency measures. So much has been made about this emergency measures legislation by the member. He asked us if we'd read it. I doubt very much if he's even taken the time to read it himself, frankly. And I think he should read the constitution as well, because it is in the constitution that the peace, order, and good government clause is outlined.

We have not argued that in times of national emergency, when there is an extreme crisis of national dimensions facing Canadians, that there has to be some central co-ordinating effort. We see it in the home, in the school, and in the province. In times of national emergencies with a national dimension, we should have some kind of central authority to ensure that there is some kind of co-ordination across Canada. War, these kinds of things — we talk about human rights in times of war; I don't think there are many human rights in times of war, unfortunately. That's the reality of it.

But the tests are very clear. In the case of any test with respect to the use of the peace, order, and good government clause, as I said, it must be of a national dimension. There has to be an opportunity for this to be across Canada, to be of grave concern and, secondly, of a short-term nature. Short-term nature is important. Finally, any time these sections are going to be invoked, we must rely upon the courts to decide whether or not the arguments are precise and appropriate, and whether in fact the test of the emergency is clearly there. Those are the broad tests which exist.

We have seen it used. Everyone can talk about the Second World War and the difficulties we had with respect to certain ethnic groups, and the rights which they lost. We can talk about the War Measures Act as it affected Quebec. We can only speculate about what might be included in the particular emergency legislation the hon. member refers to.

This is not any legislation; this is simply a plan to put in place. I'm not condoning the plan itself. But let's be absolutely accurate as to what is included. There's nothing anyone can do at this point in terms of taking away the rights of the people of Alberta. I'm not frightened about being interned under that particular legislation at this point. I can assure you that Mr. Pinard, or whoever it was the member quoted, can do nothing extra-legal to take part in that act. It's impossible for him to do it, because we'd have him right in court in a minute. I can imagine my colleague Mr. Crawford, the Attorney General, would argue the case himself. I can be darned sure that we'd be there if there's any kind of move which would abrogate our rights, which would intrude on our jurisdiction, which would take away the rights of the citizens of this province, [interjections] I can assure you that this bench — my colleagues — would muster as many forces as anyone to take on the central government if that was attempted. As other members have pointed out, the minister responsible for emergency services explained that at least four times.

My son is 10 years old. I can tell him things once, twice; the third time he's usually correcting me. But we have to tell the hon. Member for Olds-Didsbury over and over again. I'm looking forward to the opportunity of facing you somewhere where there's an audience out there so I can take you on.

MR. KESLER: Me too.

MR. JOHNSTON: Let me put that one to rest for the time being. The federal government has passed an order

in council. We're monitoring it very carefully. We'll not allow any intrusion on our jurisdiction. They cannot do anything; they can simply plan. Anything beyond that will be carefully monitored. If there's anything they do that's illegal, I can assure you it'll be in court so fast. We'll be arguing that case to the nth degree of our effort with the allocation of whatever resources are necessary to conduct it, as we have done time and time again.

MR. KESLER: And lost every time.

MR. JOHNSTON: On the Supreme Court of Canada, with respect to the constitution, we did not lose. We protected the rights of the citizens under the constitution, [interjection]

I also wanted to talk about an old friend of mine — the area of the economy. I won't dwell on it too much, except to say that I'm sure none of us here is condoning the central government's policy with respect to interest rates, the monetary policy and, more importantly, with respect to the fiscal policy. To argue that we are condoning that, or that we are not opposing it strongly or vociferously enough, is in fact misleading as well. I can say very clearly that when the first ministers' conference on the economy was held, our Premier and our minister of finance in fact took on Mr. Trudeau and Mr. Bouey and said to him: you know, Mr. Bouey, there is another option, there is another way; please examine this particular solution. Mr. Bouey listened very politely. He was reading from prepared notes, he was reading from a prepared text, he wasn't using his own imagination in this case. Maybe he's right. But then again, likely he's wrong.

What we need is something more stimulative for our economy. I think there's a misreading with respect to that budget. It's a fiscal disaster. The application of the policies may be wrong, but it's a timing mismatch. They've devised a set of strategies for a different period. The times have changed, economic situations are dramatically different, and it's now time to get on with something new. To argue that we are condoning what the federal government is doing with respect to the economy is in itself illogical and false. We have taken them on, we have shown alternatives, and we will continue to do so, particularly in the area of interest rates.

The question with respect to fiscal policy and export policy and, as you well know, in terms of balance of payments with respect to merchandise trade, we're doing our bit to ensure that our balance of payments is positive and to ensure that that will continue. It's a very difficult time for all Canadians with respect to economy. But this is an international phenomenon. This is not isolated to Canada. Moreover Alberta is not an island which can endure that kind of input much longer. We need to have a broader economic policy in Canada, and we are encouraging and working towards that wherever possible.

I was going to comment with respect to the energy Bill, which the member went on about for some time. Mr. Leitch has dealt with the energy question, and I think it's more appropriate for him to respond to those questions. I think the Minister of Energy and Natural Resources handled the debate in the House very well, and set forward very clearly the fact that it was a good energy agreement, and that we had to fight hard to get what we did and to assure that the resources of the people of Alberta were protected. That is what was done.

This seems to be a watershed year in terms of constitutional debate with respect to the energy question. We had a very important agreement signed which protected, not

only *de facto* but *de jure*, the rights of this province in terms of the energy agreement. Secondly, we concluded a constitutional agreement which underwrites everything done with respect to energy, and ensures once more that the resources of this province are protected, for as long as we want them protected, against any kind of intrusion into our jurisdiction.

Mr. Chairman, let me turn briefly to the questions which have been asked. First of all, several members have focussed with respect to the signing of the constitution, April 15, 16, and 17, when our Queen will be here. She is just as much our Queen with the constitution here as she was before, and will continue to be. She is still the Queen of Canada. Canada is a united group of 10 provinces and, in my view, will continue to survive for some time to come. Again, anyone who argues differently or suggests that the Queen is lost, again, is misrepresenting the truth.

With respect to the celebrations on the 17th, there will be quite an important signing by the Queen in Ottawa on Saturday morning, where the signing of the Constitution Act will put the Act in place, and as I've outlined, our constitution will be secure once more. In the case of Alberta, we're not planning any major celebrations of the kind where you mint coins or have holidays. There have been many recommendations to us; however, we will probably be having a resolution or debate in this House with respect to the motion itself, and I hope we can get the endorsement of all members if that motion goes forward.

With respect to the questions from the Member for Calgary Currie, we have considered opening an office in the Atlantic provinces. In fact, I made the recommendation last fall upon the member's suggestion to me, together with that of the committee which travelled across Canada, that we should have a listening post or an Alberta office in the Atlantic provinces. That is in the consideration process, and I will be bringing that forward in the next budget as well. The time was a bit unsure, simply because of the conflict with respect to offshore resources. We did not want to give one province a priority over another. Therefore we thought it would simply be easier to defer it. We did defer it through the budget this year, opening instead the office in New York.

I have dealt with the April 17 celebrations. I think the celebration should be the way in which you see Canada. It's a different kind of celebration. I think it's very important that we have the constitution home. I don't know if it's necessary for us to do anything more than simply be joyful, to celebrate, and to sound the trumpets, I guess, in our own minds that we finally have our own constitution for Canada. We are finally an autonomous dominion, ranking with other major industrial countries.

With respect to the outstanding constitutional issues, as I have said in the House, the most important outstanding constitutional issue we'll be dealing with is suggested in the constitution itself, where we have to deal with the native rights question. We are attempting to find some time frame to deal with it. I doubt that much will be accomplished before the fall of 1982. However, we are preparing our scenarios now for possible discussions and meetings at the provincial level, and then carrying those forward this fall at the first ministers' level. Beyond that, the second round of constitutional discussions will deal with such things as communication, the Supreme Court, and other areas which require discussion, in particular offshore with respect to the Atlantic provinces. This is not a priority for the federal government to pursue. We would like to see some of these items accomplished. We

tried it during the last constitutional go around. It's unlikely that that will come forward within much more than a year's time. So I'm not getting ready to move on that to any great extent. I suggest that in terms of time, the priority has been to get the constitution home and then find a second round of items to deal with.

Mr. Chairman, I think those were most of the items suggested. I will simply adjourn at this point and, again, ask for any more questions. [applause]

MR. R. SPEAKER: Mr. Chairman, so we should applaud. That's the first report — whether we accept it or not — that we have had in two years from this department. I would say most likely the most we have had in terms . . .

MR. JOHNSTON: Last year I got my budget through in a minute and a half. Where was the member then?

MR. R. SPEAKER: We knew the hon. member wasn't doing anything, so why ask questions? Mr. Chairman, we've had half an hour of . . .

MR. JOHNSTON: You can talk about an hour. Where were you last year?

MR. R. SPEAKER: . . . what this minister has accomplished. But the hon. minister missed a couple of areas that should be raised in this Legislature at this time. We should look at that energy agreement a little further and a little deeper as to what happened. The federal government — Mr. Trudeau and Mr. Lalonde — outwitted this government and is laughing at the Alberta government. They took more revenue to pay that \$15 billion debt in Ottawa, and we're paying for it in Alberta — outwitted.

What else happened in that energy agreement? Offshore oil has come into Canada to take up our markets. We have a surplus here in Alberta, locked-in oil. The minister told us the other day, 110,000 barrels a day. The recent reports in *The Globe and Mail* indicate that that could go up to 300,000 barrels per day, because this government, in its wisdom of negotiations, of confrontation, of strategy, war with Ottawa — with his hollow words two weekends ago, the Premier said we're going to have a war with Ottawa over the spirit of the agreement which is broken. People in Alberta laughed at that statement, Mr. Chairman, because that was the most hollow statement we've ever heard in this province, war with Ottawa again, when the federal government walked away with the treasury of Alberta, [interjections]

This Minister of Federal and Intergovernmental Affairs lost if he had anything to do with that strategy. The federal government got the money. What did we lose: oil sands plants and, as I've said, markets to offshore countries that we can't recover. The Minister of Energy and Natural Resources stands in his place and mumbles about, well, we're going to get them back one of these days. Mr. Trudeau is laughing about it, because he can now buy offshore oil at a cheaper rate than he can in Alberta.

The other day, Mr. Lalonde came out with a statement the other day, that was about as hollow as the statements we hear from this government. He has gone to the executives of the eastern refinery people. He first sent a letter and said, can I come and talk to you? I'm sure he said that first of all. Then he had a gentle little meeting with them and said: fellows, don't buy too much offshore; we'd better buy more from western Canada; try to do that,

fellows. Then he comes out and sends a missile out to Alberta, a press release saying, look, Albertans, I'm really fighting for you. The Minister of Federal and Intergovernmental Affairs has most likely phoned him and said: Marc, you've done a nice job down there; you're really fighting for us.

Mr. Chairman, the Minister of Federal and Intergovernmental Affairs and the Minister of Energy and Natural Resources have done nothing for the oil and gas industry in trying to impact the federal government. The federal government is laughing at this mouse representation we've had to this point in time. The revenue is going to Ottawa, and that's where it's at. So we lost on our markets. We lost on our tar sands plant because of the confrontation strategy of this government. We lost. The backbone of this province, the oil and gas industry, is continuously being destroyed and eroded, because this government can't make a decision in terms of administrative responsibility.

The hon. minister accuses me of some kind of political strategy at a certain point in time. This government is using the oil and gas industry, the farmers, and the businessmen of this province in a political strategy called a resurgence plan. When are they going to announce it, Mr. Chairman? This Lougheed government — and I want to say Lougheed government, because that's how they advertised to the public last election. When this government falls, it is the Lougheed government that falls; not the Conservative philosophy, the Lougheed government. We put it square and right where the blame lies, that's where the responsibility is. [interjections] Well, Mr. Chairman, we've lost in that. This government hasn't succeeded, and they've got to do better.

That's the energy agreement, and this evening the minister tries to deflect this to the Minister of Energy and Natural Resources, saying he's answered the question. Well, we haven't received one bit of information in this House as to what they're doing behind the scenes. Not one indication of a strategy. They keep telling the opposition and the people of Alberta to wait, sit there, keep quiet, because we have a government that comes from the top down to tell you what we're going to do.

MR. COOK: The hon. leader interrupted my remarks. . .

MR. R. SPEAKER: That's the kind of government that isn't necessary in this province.

MR. COOK: . . . I'd like to ask a question.

MR. R. SPEAKER: But they're doing it on the camouflage . . .

MR. DEPUTY CHAIRMAN: Order please.

MR. R. SPEAKER: I don't know what that is standing over there, but if they . . .

MR. DEPUTY CHAIRMAN: Order please. Would both members please resume their seats until we get some order.

MR. R. SPEAKER: Mr. Chairman, I don't . . . [inaudible] . . . the question he has.

MR. DEPUTY CHAIRMAN: Well, he may have a valid question. I think we should hear him out.

MR. COOK: Reciprocate, Ray.

MR. R. SPEAKER: Well, Mr. Chairman, if he wants to exercise his lungs, give him some fun.

MR. COOK: What I want to ask is, could the hon. leader offer us some alternative instead of just being negative and nay saying on all the stuff we're doing. Offer an alternative.

MR. R. SPEAKER: Mr. Chairman, if we ever come across the floor to government, then we'll have our alternatives.

AN HON. MEMBER: Never.

MR. R. SPEAKER: But the fact of the matter is, this government doesn't want participation anyway. For 10 years I have listened to this government say to us on this side of the House, and to Albertans, you do not participate in putting policy in place. Albertans are told this. Since October, I have visited many people in the oil industry, many of the leading citizens in this province, and they have told me over and over again that they have tried to give input to the Minister of Energy and Natural Resources and the Premier, and those two people don't even listen. The day before the Premier and the Minister of Energy and Natural Resources finalized the agreement, these leading people tried to tell the minister and the Premier what should be in that agreement, and give them advice as to how we could keep the oil and gas industry in this province. The advice was totally ignored.

You tell me why I should stand in this House and come up with an alternative, because this government never tells us the alternative until it's a *fait accompli*, they've failed, as the energy agreement was, and then Albertans must pay the cost. As a consumer, as a farmer, I pay the cost of that bad agreement. Businessmen in this province pay the cost of that agreement. The oil and gas industry is deteriorating, and in a year it will be gone. [interjections]

Mr. Chairman, that's what this government doesn't want to face. The Minister of Federal and Intergovernmental Affairs waves, oh, don't worry about it, don't argue with him; gives him the signal to shut up. All the Conservative backbenchers are given the signal to shut up. Nobody can speak but a few cabinet ministers, and they think they have the answers. But they have failed in that whole energy agreement area, and Albertans know that. Walk in the streets of any town in any place in this province, and Albertans will concur in that position. This government failed in the oil and gas agreement with the federal government. That's one of the functions of this department. That's the backbone of our economy.

The reason we're in difficulty today is because that agreement was not put together in a responsible way. Two weekends ago, the Premier said to us that the federal government is breaking the spirit of the agreement. That has never even been defined in this House. The Premier has never told us what the spirit of the agreement is. Nobody knows that. What's he talking about? It was hollow words.

Secondly, the very basic principle with regard to agreements — the sanctity of contract, which is important — is being violated by this Premier. Here's an agreement between the federal and provincial governments. In this Legislature, I showed a picture of the Premier and the Prime Minister so pleased with each other. They had taken all the royalty revenue from the people of Alberta,

out of the industry, out of the pockets of consumers. These two governments had made a wonderful agreement, and smiled and clinked glasses together. They said it was a good agreement. And the picture is available for everybody. But we know that's not the case, Mr. Chairman. There was failure, and we as consumers are left with the rubble and destruction that occurred.

I started on the point about the sanctity of agreements. Because the Premier made a bad deal, he now wants to cry war with Ottawa and go back and renegotiate that agreement. So maybe you go back and try to look at the errors of your ways. I have had some discussion with federal ministers in the last two weeks, and I hear this war cry that goes on. One of the responsibilities of the portfolio of the Minister of Federal and Intergovernmental Affairs is to build a link of trust between the federal government and the provincial government, not a link of war and distrust. But that trust is not there. The ministers I talked to said very clearly to me. We think the energy agreement should be changed so more revenue can go back to the people in the oil and gas industry; we think the cost of fuel in the province of Alberta should be reduced, it's too high — and they were talking in terms of the some 17.75 cent tax that presently goes on a litre of fuel; we're being unfair to the consumer out there. They admitted that had to be done. That was the second thing.

But they said, you know something, we don't know whether the province will go along with any kind of negotiation. We don't really trust that if we give, they'll give a little so the people in Alberta, western Canada, and other parts of Canada have a better deal. They didn't trust the Alberta government, because they felt that the Alberta government would try to pull the rug out and not be honest enough with them to come up with a co-operative agreement that was good for the residents of Canada. Mr. Chairman, to me that was the most disappointing thing I heard from federal ministers. I couldn't believe it.

Then I came back in this House a few days later, and heard just about the opposite story from the Minister of Energy and Natural Resources, saying we don't think the federal government are going to give any. The same kind of distrust was there. How can you settle an agreement or manage a country with that kind of distrust between two governments? That's where the Minister of Federal and Intergovernmental Affairs has failed.

The second area I want to talk about, other than the energy agreement, that the minister hasn't even touched on, is the present budget of the federal government, the present tax policy of the federal government. That tax policy is suppressive to businesses in this province, suppressive to the farmers, suppressive even to anybody who wishes to retire. There are no incentives built into that budget, and the Minister of Federal and Intergovernmental Affairs in this province has remained totally silent on the issue as far as I know. I have never heard any type of developed statement that showed the Lougheed government had a position on the federal budget. I didn't hear it presented once in this Legislature. I don't know of any forum where it was presented, unless it was in some back room, Mr. Chairman. The fact of the matter is: Albertans in business, on the farm, pensioners, or wherever they are, are worried about the impact of that federal tax policy, and here they have an Alberta government, a minister who wants some \$5 million so he can do whatever he is supposed to do, a minister who should respond to the root of concern, one of the greatest concerns we have in Alberta today. There has been no

response, no action on one of the basic problems we face today.

Certainly the federal government is trying to take all they can out of taxpayers, take all they can out of the people who are trying to produce. Well the government should stand up and take a position with regard to tax policy. It hasn't been done, and I think that's where this government gets so caught up in political footwork that they don't realize the important issues facing individual Albertans today, people who are trying to stay in their homes, on their farms, in their business. We have no fighters in this province for those kinds of people, and I'd have to say the Minister of Federal and Intergovernmental Affairs has been most negligent in both areas I just raised and the last one for sure.

MR. JOHNSTON: Mr. Chairman, let me just briefly touch on the question of energy. I don't intend to outline the provincial government's policy with respect to energy. I'm sure many of us could if we wished, but you'll have an opportunity to meet my colleague the Minister of Energy and Natural Resources very soon. I understand that his budget is scheduled for some time after Easter, and I'm sure he'd welcome the opportunity to explain both the process, in terms of the evolution of the energy agreements in Alberta, and some of the details with respect to the agreement.

I'll limit my comments to two or three points with respect to the broad intergovernmental concerns with respect to energy. First of all I note, as I'm sure all members have, that the original agreements were relatively easy to accommodate between the province of Alberta and the federal government, agreements which reflected reasonable prices to the industry during a period when the price increase in the international markets is not quite as rapid as we have seen through the 1973 period and 1978-79 period, when you had two energy shocks affecting the international economic situation.

We argued at all times that we should get a reasonable rate of return for that resource. We argued fully that the rate of return coming to the province should be maintained, that the federal government should get some economic rent and, more importantly, that the industry should get its share of the resource as well. In fact, it was important for us to maintain that agreement to get control back into Alberta and to protect our jurisdiction, as I properly noted.

The international phenomenon, of course, has been very interesting. As I indicated, through 1978-79, you saw price changes on international markets which were, in terms of real adjustments, more substantial than we even saw in 1973-74. So it was important that we had a catch-up period. Economic shocks also pervaded all the economic systems of the world; shocks where the energy consumption as a ratio of gross national product were increasing and, in fact, people didn't realize there was going to be an energy crisis. Most of those accommodations have now taken place and, on an international situation, we have seen that three things have happened.

First of all, energy consumption as a ratio of gross national product has adjusted downward. People have become more energy conscious. There are more off-energy programs and switching to other kinds of conservation, in particular movements into coal and other forms of hydrocarbons which were not in short supply in international situations. Secondly, we have seen the slowdown in economic markets across the world, which in itself has dampened economic growth and expectations,

and therefore reduced energy consumption on an aggregate basis. Finally, we have seen a surplus of oil being pumped in the Saudi Arabia and the Gulf Coast countries in particular and, in the fall of 1981, we saw attempts at a unified international price by the Saudi Arabia pumping excessive amounts of oil to accommodate their hegemony in the Gulf Coast area. As a result, surpluses were built up in most consuming countries, and those surpluses are now being drawn down.

Those are all the characteristics, and perhaps are unique to the 1981-82 period. That is really the frame in which we're operating. Don't forget that many OPEC countries now find themselves in difficulty, because they cannot pump the same amount of oil they have historically. Therefore their own economic situations are being affected. That is the backdrop, and that is the real situation Canadians are facing.

At the same time, Alberta has always maintained that Canada should be energy self-sufficient. As everyone in this House knows, we are in a very major hydrocarbon plain. We have oil, gas, coal and, finally, synthetics of various sorts. I think the attempt to manage those resources, to ensure that the maximum return comes to the province and to the industry, has led into these agreements, and that of course is important. But the fact is that without energy self-sufficiency, which has been our target, to ensure that the industry continues to reinvest its share of its resources in exploration in Canada, the federal government policies in fact fail. That has been the debate: whether energy self-sufficiency should be a target for Canada, whether it's achievable, and in what forum that energy self-sufficiency can be achieved.

Because of various international situations now, we are in a very uncertain energy position. I will simply outline that very broad basis, because in terms of details, I think the minister himself will detail and outline more specifically the Canadian, North American, and international situations; our impact, with respect to Alberta; and how that will be reflected in the energy agreement here in Alberta.

It's interesting to note that the Member for Little Bow and the Member for Olds-Didsbury are on two different courses. One is saying, too much confrontation; the other is saying, not enough confrontation. So I guess it's difficult. I think we must be in a good position if our confrontation position has engendered the right kind of agreement. We have been successful in finding the agreement itself. There may well have to be some adjustments; I'm not saying there won't be. But that's really in a study position right now, as has been noted by the Premier and the Minister of Energy and Natural Resources.

I think I'll end my comments with respect to energy at that point, by simply outlining the broad macroeconomic international situation Albertans and Canadians are facing. Much of the energy industry difficulties have been triggered by high interest rates, and that leads me into the question with respect to fiscal policy, which I already commented on. I indicated that in November, our Premier provided alternatives to the monetary situation. I could go on at some length with respect to the fiscal policies of the federal government. I could talk about the monetary policy, if you wish. However, I doubt if you clearly understand the implications of all those subtleties, and to detail them would be wasting my time.

Let it suffice to say that the fiscal policy of the federal government has been inept with respect to its balance of payments. There's no question that on merchandise account, the federal government has had a balance of

payments which has been positive since 1976-77. It continues to be positive through 1982, and it's predicted to be positive through 1983-84. However, the difficulty is on the goods and services account. The goods and services account generates the trade imbalance. Historically, that trade imbalance has been of the order of \$4 billion to \$5 billion and, in its aggregate, will continue to be of the order of \$35 billion by 1990, a very difficult situation for Canadians, because that impacts on all of us in terms of our personal tax, the pressure on the Canadian dollar, and the inflation rates. Those are simple aggregates, which I think most people can comprehend, and that is a difficulty which the Canadian government is facing.

We have taken the federal government on with respect to its monetary policy. We have provided an alternative. We have suggested that you should dissociate the Canadian dollar from the American dollar. We should have an independent monetary policy. We have said that, sure, you may have to let the Canadian dollar drop to some new level. However, you would accommodate that by lower interest rates in Canada, which would be an incentive to all private sector people to invest. That was the alternative given by our Premier, and that was the fundamental argument he presented to them. However, it was rejected. Mr. Bouey said, no, we're not going to do that. We're going to continue to track the American dollar. We're going to continue with the high-interest rate policy. We're going to continue to push the Canadian economy into an infinitely deep recession, which we're now experiencing.

I think it's the wrong policy. As I said, the budgetary policies of the fall of 1981 were a timely mismatch, the right policies but for the wrong time. That is in fact what has happened. I think it's time for the federal government to adjust its fiscal policies, bring forth a new budget and a new set of economic imperatives which recognize the problems we're facing in Canada and, in particular, to accommodate the interest rate question, the monetary policy question and, hopefully, to stimulate some sectors of the economy where that stimulus is most required, in particular, housing, the construction industry, and other basic manufacturing sectors themselves.

So, Mr. Chairman, it's not fair to say, as the Member for Little Bow has indicated, that we have not criticized them, nor that I have not criticized them, because in fact we have. With respect to established program financing, I could go on to note that we have led, as much as any province has, with respect to arguments on fiscal policy, and with respect to established program financing, and will continue to do it. With respect to equalization, we've also joined with the other provinces arguing that if the federal government wants to cut the equalization programs unilaterally and arbitrarily, as it has done, it will cause and prompt economic difficulties in those other provinces that must absorb the deficit as a result of cutback in federal government transfers, and they can only accommodate that deficit by increased taxation. Unfortunately, that is one of the effects of the federal budget in some of the maritime provinces. But in fact the Minister of Finance and the Prime Minister would not listen to the arguments put forward by us.

So let me simply state that we will continue to force the federal government to explain and to detail its position with respect to fiscal policy, monetary policy, and its long-term economic plan. We have been joined by others who have criticized the federal government; in particular, the Economic Council of Canada which has said, with respect to equalization and established program financ-

ing, that it was wrong. We have also had an opportunity to shape some of that policy by meetings with the Economic Council of Canada. Many of our recommendations, of course, have been reflected in their views.

At the same time, as the Provincial Treasurer has pointed out with respect to established program financing, such things as over-equalization have not crept into the equalization calculations, which would take an over-equalization for the province of Alberta to redistribute that to other provinces. I think that, in fact, has been a success of the last six months of negotiation in respect to established program financing and equalization. However, we will continue to put forth alternatives. We will continue to suggest the negatives with respect to the budget and, wherever necessary in the case of our own fiscal policy, we will continue to put forward alternatives which I think are positive and which reflect the needs of Albertans. Other than that, Mr. Chairman, I don't think there is much more to comment on. I will not get into the question of histrionics and misrepresentation. I'll simply deal with the facts wherever I can.

MR. KESLER: Mr. Chairman, I'd like to address the hon. minister's previous comments, at which time he used some considerable exaggerated vocabulary. I think it typifies his exaggerated efforts to defend Albertans' rights.

MR. JOHNSTON: We're defending Alberta rights; we agree.

MR. KESLER: Exaggerated efforts to protect Albertans' rights. I find interesting the hon. minister's argument on the constitution and the great effort of the province of Alberta to negotiate a good deal for the people of Alberta. I've always been under the impression that governments were the servants of the people, and that in any time of major policy, the government had an obligation to seek advice from the people. We have a constitution that will affect the future of the people of this province for generations and generations. I don't know — I must have been out of the country. But I didn't see any referendum or any other form of consultation with the people of this province on whether they thought bringing the constitution home was a good deal, especially in the way it was being done.

MR. COOK: We had an election.

MR. KESLER: Again in regard to the constitution, the hon. minister makes reference to including the aboriginal people in negotiations as to their rights when the constitution is returned to Canada. Is the hon. minister going to give the aboriginal people of this country more than a day to get involved in the discussions, as they were given last time? One day. I think both those examples show the lack of concern and consideration this government has for the people of this province, whether or not they're aboriginals.

He talks about a good deal for Albertans, but Albertans never have an opportunity to get involved in deciding whether it's a good deal. He talked about the great occasion of having the French ambassador visiting our Legislative Assembly the other day. Surely it was a great day for the Alberta Legislature, if in fact it was the first time. But I wonder how long it will be before we have another British ambassador visiting our Legislature, after the constitution comes home.

The minister talks about ongoing studies. Studies with-

out action serve no purpose. To this point in time, all the studies you've been engaged in have done nothing for the people of this province, absolutely nothing. If you'd get out of this Assembly — quit smoking cigars, and get out there and find out what the real people are feeling — you'd know what your policies are doing to the people of this province.

MR. DEPUTY CHAIRMAN: Would the member kindly use the common parliamentary language; in other words, through the Chair.

MR. KESLER: Yes, Mr. Chairman. If the hon. minister would take the time to circulate in the province of Alberta, Mr. Chairman, he would certainly realize that they have not defended the rights of Albertans in the last year — in fact, in the last five years — in negotiations with the federal government.

My last comment is on the order in council that the minister so adamantly rejects. I find it interesting that these orders in council, especially one as severe as the emergency planning order that the hon. minister has so much faith in, was passed while the House of Commons was sitting. If there were no real problems with that emergency planning order, why didn't they take it through regular channels? Was there a war that I missed? Was there a national emergency that I missed?

MRS. OSTERMAN: Do you know the difference between an order in council and a law?

MR. KESLER: An order in council is in place so that it can be implemented at the whim of the Prime Minister of this country. That's exactly what the emergency planning order will do. [interjections] If you'd read it, you'd find that out. The minister or the deputy minister can implement it. The hon. minister can reject Mr. Pinard's statement all he wants, but he is still the man at the federal level who would be involved in implementing that order in council.

MR. COOK: It has to be an emergency.

MR. KESLER: Perhaps the hon. member should read what the definition of an emergency is — an abnormal situation — in relation to that order in council. Who is going to decide what an abnormal situation is? The hon. member and I?

MR. COOK: The Supreme Court.

MR. KESLER: No. If the hon. minister knows a reason why that order in council was not discussed in an ordinary manner in the House of Commons, when there was no emergency in our land, perhaps he can explain that. Because I'm not aware of an emergency at that time. Why couldn't it have gone through regular channels so that the members of the House of Commons had an opportunity to debate it, especially with the severity of that order?

I might say that I have available — I wish I had it here, I'd table it — some three-quarters of an inch thick of debate by members of Parliament on the severity of the order in council that the hon. minister here sloughs aside as being unimportant and of no significance to the people of Alberta. Those are some of the questions I have as to why some of these procedures couldn't have been followed in the province of Alberta.

MR. JOHNSTON: Mr. Chairman, I'd be glad to deal with questions. However, most of these are simply misrepresentations of the statements which others have made, which ministers in this House have made, and which I have made. I'll try to restate as accurately as possible what in fact has transpired. Again I hope the emergency member for Olds-Didsbury will listen.

He asked about the input of people. With respect to the constitution itself, during 1976-1977, the former Minister of Federal and Intergovernmental Affairs put together a citizens' advisory committee which dealt with constitutional questions, allowed for input, suggested innovative ways in which we could deal with the constitution, assuming several important priorities: that in fact we'd recognize the equality of the province, and not be a subordinate government to the central government. In the areas of our own jurisdiction, we would maintain the powers, the rights, and the authority which we had under the British North America Act, and would not give up any jurisdiction with respect to constitutional change. That of course was well debated. A series of recommendations was presented. If the hon. member would like, I could certainly supply them to him. However, I don't know if it would do much good.

With respect to the broad Alberta principle, the member suggests that a plebiscite should have been called. I'll simply draw to his attention the fact that during the election of 1979, one of the items of our platform was constitutional change. That constitutional change again was focussed on a publication we put forward, called *Harmony in Diversity*. I think that at last count, well over 30,000 issues of *Harmony in Diversity* must have been circulated, primarily in Alberta, which clearly set out the provincial position with respect to constitutional change.

I don't think any other province has done as much, has attempted to communicate as much, and has had as much debate in its own representative Assembly with respect to the constitutional process. So it is in fact false to suggest that the people of Alberta were not aware of what was being done with respect to constitutional change. And it is false to suggest that we did not have input from the citizens of Alberta, because there were many cases where that happened.

Naturally, during the constitutional conflict of 1980-81, there was ample opportunity for input from citizens. Every paper I picked up had constitutional debates. I'm sure all members in Canada and Alberta were well aware of the issues with respect to constitutional change. In fact, the majority of the citizens of Canada and Alberta, I think, were in favor of bringing the constitution home. I don't think there's any doubt about that. Everybody I know and talked to, in terms of a very broad population base, suggested we should bring the constitution home to Canada. In fact, that was not really an issue. The issue was what should be included, what kind of amending formula should be taken, and how can we protect the rights of the citizens of Alberta? Those were the utmost priorities which we had to protect.

Again with respect to the order in council, the emergency measure order, let me simply state that we do not condone what might be described as the penumbra of that legislation. To suggest that we will sit back and let that legislation take place is in fact inaccurate. I've already indicated we'll monitor it carefully. If there's any intrusion on our jurisdiction, we will prevail upon the federal government to change its position, one way or another; if not, recourse to the courts, certainly by per-

suasive argumentation, and perhaps even confrontation, if it's necessary, as the Member for Little Bow suggests. We will protect the rights of the citizens of Alberta with respect to that emergency planning order, and we will continue to do so, should any changes take place.

The key thing, however, is that there have to be some legislative changes. Those changes involve the participation of the provinces. At this point, there's been no draft and no suggestion. We're going to get into that debate. All they have done is pass an order in council which allows them to plan. I don't condone the broad way they're planning. I don't condone all the items involved there. But I do recognize that there has to be some authority for an emergency of national and international dimensions. That is the point I'm making. So let's not try to mislead anybody by suggesting we're condoning or agreeing with it or shrugging it off. We're not. We're watching it carefully. We'll monitor it very carefully and, if necessary, we'll take it to court if it intrudes on our jurisdiction. I can absolutely guarantee you that.

Let me also go on to note that the history of orders in council in Canada varies, as do the practices within our own parliamentary system here in Alberta as compared to parliamentary practices elsewhere. In the case of the House of Commons in London, Westminster, where we have taken our precedent, orders in council are debated in the Legislative Assembly. That's not the case in Canada; it's not the case in our Assembly. So in fact we're not changing anything. That's simply the process taking place.

I suggest that in the case of those processes, you should perhaps take it up with other federal ministers. I'm not shrugging that off; I'm simply suggesting that it's their process, not ours, and it's very difficult for us to amend the parliamentary rules in Ottawa. It is in fact a good recommendation which I personally would like to see expanded. I don't know if it can be accommodated in the case of Canada, but I'd be interested to see what happens.

I simply note that under Mr. Clark's regime, there was a suggestion that the whole parliamentary system should be reviewed, but nothing has been done there. One of the items which was going to be considered would be the way in which you deal with orders in council. I agree there's been a substantial amount of executive government with respect to orders in council in the federal government. But we should not argue that we're simply going to let the emergency measures planning order pass without our scrutiny. In fact that is not true.

MR. R. SPEAKER: Mr. Chairman, the minister made some general comments about the November budget of the federal government. There are specific kinds of things that Albertans are concerned about in that tax paper, in terms of the capital gains policy, the forward averaging, MURB, and some others. I wonder if the minister could indicate what type of representation has been made in those areas, and whether some changes have been made. If I recall rightly, the minister said something about some 60 possible changes. Maybe I forgot the number, but I'd appreciate some expansion on that area.

MR. JOHNSTON: As a matter of fact, Mr. Chairman, on December 14, I was able to be at a meeting of provincial treasurers and the Minister of Finance when some changes were being recommended. One that I recommended strongly to the Minister of Finance at that time was with respect to capital gains as they affect farm properties. I was thinking clearly of farm properties here

in the province of Alberta. As you know, that accommodation was effected by the changes in the December 18 mini-budget which Mr. MacEachen brought down.

Obviously the question of fiscal arrangements was among those other changes we talked about in terms of priorities. We suggested that the federal budget was an inappropriate way to deal with the question of fiscal arrangements, and we suggested a one-year delay. That has now taken place. We're now into that one-year delay period, trying to sort out a new way in which the fiscal arrangements, as it applies to established program financing, can be accommodated to a degree of consensus among the provinces. Those are two things that have taken place.

In the case of MURBs, we argued that the cutoff was too dramatic. You simply can't cut off a program on December 31, 1981, and expect those investors who have accommodated the renter — in the province of Alberta in particular — to simply lose that option. So you'll note that the MURBs have been extended to May 31, 1982. You had a substantial boom in late December and early 1982, when foundations were put in place to accommodate investors who had established a MURB program.

Other things dealt with — for example, with respect to capital gains — had to consider whether or not some agreements were under way at the end of the year; that is, if you were selling your farm or an asset to somebody else, and you knew you had a provision for reserve, you could defer the capital gains over several years. In fact, that change was effected in the December budget as well. You can now see that if there were some changes or if negotiation was clearly evident at the end of 1981, you could carry those changes forward in 1982, and therefore smooth the capital gains over a two- or three-year period.

Those are the quick ones which come to mind. I made those presentations personally. The Provincial Treasurer subsequently followed up, and those were reflected in the adjusted budget in December 1981.

MR. R. SPEAKER: Mr. Chairman, to the hon. minister. Has there been a more recent update in that presentation? Mr. MacEachen, the federal Finance Minister, has been travelling around talking to various groups across Canada. I think he was in Calgary recently, and is attempting to find out how his budget was really affecting the grass roots. Now I don't know whether this is just an exercise or whether he is really going to change some of the principles.

This group of people you have on staff: is there someone who takes the federal budget and says, look, there seems to be 20 things here that are affecting the growth, the economy, or the individuals of our province, and continually makes representation through this period of time when the government may be vulnerable to some good recommendations. I'd be very disappointed if there is another federal budget fairly shortly and the same principles of that November budget are put in this changed budget. That would be very sad. Is there that kind of mechanism in place? Are we continually impacting the federal government during this study stage they're in right now?

MR. JOHNSTON: Yes, Mr. Chairman, there is. However, the lead responsibility for co-ordination rests with the Provincial Treasurer. My department provides analysis with respect to macro-effects and impact on certain programs. For example, we deal with established program financing. We work on the equalization side. We deal

with the macro-effects of the budget itself, as it might affect certain sectors in Alberta. But the prime responsibility for analysis goes to the Provincial Treasurer.

Having said that, however, I can assure that there is communication, almost on a day-to-day basis, between the Treasurer and federal government with respect to suggestions for changes in the budget, with respect to even changes in information. We exchange information with respect to how certain programs will impact on the province of Alberta, with respect to our programs here. Those exchanges are continually taking place.

I also would be sad if a new budget came down sometime in 1982, which did not reflect the realities of today in terms of the economic situation: high unemployment in some sectors, slow economic growth. We must turn those two key ones around. We must get a more positive attitude in terms of the minds of the risk-takers. We have to get them back into the market, where they can do the job of creating new real capital formation and new jobs. That's the kind of communication we've been having. Those have been the objectives. Communication has been continuous, both in written form at the departmental level and at the ministerial level.

MR. R. SPEAKER: Mr. Chairman, to the hon. minister. I have to say that generally Albertans, one, don't feel Ottawa is listening to them or is concerned about some of their day-to-day tax problems. Right now everybody is filling out that tax form, and they're worrying about 1982 and what's happening. They seem to say, well, I guess we got by 1981. I'll try and be as humble or non-critical as I can in saying this, but generally Albertans are not hearing that their provincial government, through your ministry or the Provincial Treasurer, is pinpointing these problems and making representations to Ottawa. That has gotten lost somewhere in the maze of the mechanics of government.

My question to the hon. minister is whether the Provincial Treasurer or the Minister of Federal and Intergovernmental Affairs has developed a counterpaper to that November budget or to some proposed plans the federal minister may have? Can that document be tabled here in the Legislature, so we as MLAs know what it is and can discuss it with our citizens? I know the question with regard to paying your capital gain now and trying to forward average is of great concern to the people. Many people are saying, I might as well have given up a few years ago if they're going to take it away from me anyway. Is that kind of document available and, using the word "strategy" in its best sense, is there a strategy from the government of Alberta to try to sit right on these federal ministers?

As I mentioned earlier in my discussions, they are open to some kind of suggestions. They recognize that that budget was very detrimental to the Canadian economy. I must say that comes from some of the more free enterprise oriented ministers. But I think they're looking for solutions to our economic problems. Maybe we have to sit right on them and give a western Canadian point of view. Is that in place? Is it that formal at the present time, or is just an informal, ongoing thing happening?

MR. JOHNSTON: Mr. Chairman, first of all, when you talk about private-sector people and the federal government, I can only conclude you were talking to Don Johnston, who happened to be in Lethbridge with me last week. I imagine that might be one of the ones who would come to mind quickly as being a private enterprise per-

son. I can say we've had many conversations along the lines you have suggested. Let me go beyond that to state that with respect to developing fiscal policies, obviously we have responsibility within our own jurisdiction and resources to develop fiscal policies to try to serve the needs of the people of Alberta. Of course, you've seen that fiscal position put forward by the Treasurer in the budget we're now in fact debating. I haven't noted any major flaws in the debate with respect to the fiscal position outlined by the Treasurer at that point. So I'll simply put that aside.

Secondly, however, with respect to sub-items of the federal government's fiscal policy, we continue to develop our own positions to provide recommendations to the federal government in these key areas. I have already outlined for you the one on monetary policy for you, the one on established program financing, on equalization, on harmony tax collections, on certain elements of the corporate tax system which in fact impinge on the flexibility of the corporate tax system here in Alberta. Several of those have been developed.

It isn't for me to suggest they can be tabled. I have seen several of these papers, because I have been interested in them personally. I know we developed counterpositions, which have been recommended and worked on with the federal government as a means to finding some solution to the economic malaise facing Canada at the present time. However, I cannot commit my colleague the Provincial Treasurer, who in fact has the lead responsibility for tabling those documents. I can only give the assurance that we're continuing to put forward alternatives, to address the problems expressed in the federal budget as they affect Alberta, and to provide alternative recommendations for changes which I think should be effected in that federal budget.

I note that the Minister of Finance is now travelling, talking to various sectors. We also have been talking to various federal ministers and making the same case over the past few weeks and months. We'll continue to do that, to assure that they do in fact change that federal budget to recognize some of the problems not only peculiar to us here in Alberta but pervasive across Canada in terms of economic impact.

At the same time, I'll note that in many cases we have to supplement or complement the omissions the federal government has made. In the case of housing, you have recently seen some major statements by my colleague the Minister of Housing and Public Works to complement the housing industry here in the province of Alberta; both the changes to the core housing incentive program and, additionally, the corporate tax adjustment with respect to rental units. That kind of thing has to be put in place by the province. Fortunately we have the resources here to do it, because we have the demand. In fact, we had to define the program to deal with the case of the loss of MURBs under the federal budget.

In my conversation with federal ministers with respect to MURBs, they have said to me very clearly: why do we want to give MURBs to Alberta? We haven't any votes out there. In fact, that has been the case on many of these issues. It's not altogether fair to say that the federal government is, in fact, responsive and looking forward to our inputs. In many cases, they're not. In many cases, they simply shrug and say: we don't get any votes in Alberta; we're not going to give you the MURBs or any specific program which benefits Albertans. That is one of the realities we have to face in terms of the struggle to develop fiscal policies for Canada as a whole. But let me

just leave the assurance that we are developing alternatives. We're making those alternatives very clear to the federal government wherever possible, and we'll continue to do that.

MR. R. SPEAKER: Mr. Chairman, is the rate of provincial income tax one of the items of discussion on the agenda? Albertans have said to me that we have a lot of revenue in the province of Alberta; we're paying a lot of taxes, wage earners specifically. I think of people earning \$30,000 a year paying \$5,000, \$6,000, \$7,000 income tax to the federal government if they haven't got something to protect themselves. They're saying to me: look, there's room there where the province could back off some of the tax take. Is that kind of consideration being given?

MR. JOHNSTON: Mr. Chairman, I recall my political speeches. I won't give one of those right now, except to note that Alberta has the lowest tax regime of any province in the country. One of the difficulties we have is the jealousy or the tax competition with provinces on our fringes. In fact, there are major difficulties in terms of collection of taxes in some of the border towns. There's obviously some kind of reputed illicit trade between the provinces to get around the perhaps higher levels of tax in some of the other provinces. That's one of the difficulties we have. I'll simply draw your attention to the schedule, which I believe was in the budget, showing the comparative taxes of a tax payer with X number of people and X number of dollars, living in Alberta — far below any tax paid in any other part of Canada.

Our priority has been to protect the disposable income of Albertans. We are supply-siders. We believe that should go into the hands of individuals, and as a result of that, you'll spur more investment and development here in the province, and therefore indirectly your aggregate tax pool will grow. I don't know if we can drop the taxes much lower. That is an interesting debate. I think our tax regime is so low right now that it is a tax haven. I wouldn't know of any other adjustments we could make. I might note that I saw some interest in the political platform put forward by one other party in 1979, which suggested a zero income tax level. It even became attractive to me for a while, until I regained my senses.

MR. KESLER: I have a question relating to tax too, Mr. Chairman. Could the hon. minister indicate whether the government of Alberta has presented a policy with respect to the rapid increase in the excise tax on gas? I guess it's rapidly causing a great deal of discomfort for Albertans, with the 40 per cent increase in their excise gas tax over the last two months. Has the government made any official representation to the federal government on the matter?

MR. JOHNSTON: Mr. Chairman, one of the reasons I got into provincial politics was as a result of the federal excise tax on oil going into the United States market. I was obviously upset by the confiscation by the federal government of provincial resources on oil going into the American market in 1973-74. That in fact prompted me to come into provincial politics on a strong provincial rights position. As a result of the energy negotiations, you may note that the excise tax on natural gas going into the United States is now down to zero. So on both those priorities, we have accomplished a very important adjustment, a very important precedent in terms of export of gas to the United States. Here, in fact, although they

suggest it's a very low tax, we well know it could have grown to immense proportions, as it did on the small amount of oil currently being exported to the United States.

With respect to the excise tax within Canada itself, we have written to the federal Minister of National Revenue. I forget his name; I think it's Rompkey. It escapes me for a second. We have written to him suggesting that we have abated in the province of Alberta with respect to our shelter programs for home heating and for farm fuel, and that in fact the federal government should consider something with respect to the agricultural industry. We have not heard back from the minister at this point.

MR. R. SPEAKER: Mr. Chairman, to the hon. minister in terms of this policy position. Is one of the points in the provincial government's policy position with regard to the size of the federal government, indicating to them: look, if you can't afford all the things you want, would you cut back the size of government? Does the provincial government have a policy with regard to that?

MR. JOHNSTON: Mr. Chairman, I personally have a policy. I guess you have to measure the size of government in terms of some broad set of criteria which may be applied. On the one hand, you have the question of providing services to the people. On the redistributive side, you must look after the allocation of funds on a national basis. However, I think that in the case of the federal government, there is probably a disproportionate growth in the expansion of the civil service. I for one would like to see it at least set at some levels, as has been done previously, perhaps on the attrition formula, where those who retire are not replaced. There are several proposals which could be done. We have not made a recommendation to the federal government as a government on that basis, but as individuals we have clearly made our positions known.

Agreed to:

1.01 — Minister's Office	\$165,400
1.02 — Administrative Support	\$536,557
1.03 — Intergovernmental Affairs	\$1,787,249
1.04 — Alberta Offices	\$2,229,912
1.05 — Conferences and Missions	\$341,000
1.06 — Alaska Highway Gas Pipeline	\$428,077
Total Vote 1 — Intergovernmental Coordination and Research	\$5,488,195
Department Total	\$5,488,195

MR. JOHNSTON: Mr. Chairman, I move that the votes of Federal and Intergovernmental Affairs, the estimates for the year ending March 31, 1983, be reported.

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, reports as follows, and requests leave to sit again.

Resolved that for the fiscal year ending March 31, 1983, sums not exceeding the following be granted to Her Majesty for the departments and purposes indicated:

Department of the Environment, \$5,293,648 for departmental support services, \$159,299,430 for pollution prevention and control, \$4,492,018 for land conservation, \$97,372,442 for water resource management, \$3,542,938 for environmental research, \$16,313,633 for land assembly, \$11,176,435 for interdisciplinary environmental research and service, \$1,500,761 for overview and co-ordination of environment conservation;

Department of Federal and Intergovernmental Affairs, \$5,488,195 for intergovernmental co-ordination and research.

MR. SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, as to business tomorrow, it's proposed to have second readings of some of the Bills on the Order Paper. It is not intended tomorrow to call Bills 14, 18, or 27, nor the ones that were introduced only today. The other ones would be called. Then, if there's time, Committee of the Whole, except for Bills 8 and 17, which would be retained in committee.

Mr. Speaker, I don't suppose there would be time after that tomorrow afternoon, but if so, we would begin the estimates of the Department of Hospitals and Medical Care in Committee of Supply.

[At 10:45 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]

