

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Friday, April 22, 1983 10:00 a.m.**

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

Bill 47**Department of Advanced Education Act**

MR. JOHNSTON: Mr. Speaker, I'd like to introduce Bill No. 47, the Department of Advanced Education Act.

The purpose of this Bill is to effect the separation of the Department of Advanced Education and the Department of Manpower.

[Leave granted; Bill 47 read a first time]

Bill 48**Universities Amendment Act, 1983**

MR. STROMBERG: Mr. Speaker, I beg leave to introduce Bill 48, the Universities Amendment Act.

The general purpose of this Bill is to provide a mechanism whereby a private college which has met certain criteria could obtain the right to grant an academic degree. The Bill establishes the private colleges accreditation board as a non-incorporated body whose membership is appointed by the Minister of Advanced Education. The accreditation board is empowered to inquire into any matter relating to the approval of programs of study leading to an academic degree which might be granted by a private college.

[Leave granted, Bill 48 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill No. 48 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

Bill 237**An Act to Amend the School Act**

MR. GOGO: Mr. Speaker, I beg leave to introduce private member's public Bill 237, An Act to Amend the School Act.

The principle of this Bill is to make the operating year for the schools in Alberta 200 days.

[Leave granted; Bill 237 read a first time]

Bill Pr. 11**Edmonton Canadian Insurance Company
Amendment Act, 1983**

MR. ALEXANDER: Mr. Speaker, I beg leave to introduce Bill Pr. 11, the Edmonton Canadian Insurance

Company Amendment Act, 1983.

Mr. Speaker, the purpose of this Bill is to authorize the company to increase its capital to \$10 million and to reflect in the legislation a change of name made by order in council in December 1981.

[Leave granted; Bill Pr. 11 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. CRAWFORD: Mr. Speaker, I'd like to table the response to Written Question No. 124.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. CLARK: Mr. Speaker, today it's a pleasure for me to introduce to you, and through you to members of the Assembly, a troop of eight Boy Scouts from the Chestermere Lake area. They are accompanied by their group leader, Barrie Clayton. The eight members comprise the entire group. They told me there is quite an advantage to that, because they get a lot more trips that way than if they had a big troop. I ask them to rise and receive the welcome of the House.

head: **MINISTERIAL STATEMENTS**

Department of the Attorney General

MR. CRAWFORD: Mr. Speaker, I would like to present to the Assembly today a white paper on the Legislative Assembly Act. Since the original enactment in 1909, the Act has undergone only one re-enactment and several piecemeal amendments. None of these has attempted to address substantive concerns now under scrutiny in other jurisdictions in Canada, such as conflict of interest, disqualification of Assembly members, disclosure and parliamentary privilege, and immunity of the Assembly. The amendments which have been made since 1909 have largely been devoted to changes in constituency boundaries, allowances, salaries and expenses, and additional exceptions to the general rule on disqualification related to contracts with the Crown.

The white paper has attached to it a draft Bill for a proposed new Legislative Assembly Act, containing a number of significant changes to the existing law. In particular, the draft Bill proposes a series of amendments in the area of government offices which a member is prohibited from holding and government contracts which a member is prohibited from entering into.

The draft Act also attempts to define categories of persons who are directly associated with the member and who would, as a result, be prohibited from doing anything that the member himself is prohibited from doing.

The draft Act introduces the use of the blind trust concept in respect of certain types of outside interests a member may have. There is also a procedure for a member's application to the court for advice and direction in some situations.

The new Act also calls for annual disclosure by members and preparation of an annual report to the Assembly by the Provincial Treasurer.

All of these proposals and others contained in the draft Bill reflect a great deal of research into the historical powers of the Assembly and, I hope, will result in pro-

gressive and positive reform in this area of the law. A study of the detailed workings of the Legislative Assembly has been long overdue in this province, and the draft Bill should go a long way in answering concerns as to eligibility, conflict of interest, and disqualification, which have been raised over the years.

I will soon be proposing a motion to the Assembly to have the white paper and the draft Bill referred to the Select Standing Committee on Privileges and Elections, Standing Orders and Printing for its review and report. I'm confident that comments and criticism of the draft Bill by committee members will lead to the enactment of an improved statute in this key area of parliamentary democracy.

MR. NOTLEY: Mr. Speaker, I'd like to rise and make just a couple of comments about the ministerial announcement this morning. Obviously, I've not had an opportunity to examine the draft Bill, so it would be very difficult to comment on it. But I do think that the time has come for a review of the Legislative Assembly Act. I agreed with the hon. Attorney General when he noted that the changes that have occurred over the last three-quarters of a century have essentially been piecemeal changes rather than any attempt to look at the Act in its totality.

We find that with the complexity of government policies, in my judgment the problems that face members today require a modern approach and a reappraisal, but recognizing that some of the principles contained in the Act when it was first adopted, particularly those principles that clearly set out the guidelines for conflict of interest, must be recognized, must be underlined.

I'm interested in the observation by the Attorney General that for the first time, financial statements of the holdings of individual members of the Assembly may in fact be filed. We've had the policy for the last few years with respect to members of Executive Council. While I await with interest an opportunity to peruse the document in more detail, I think that's a step in the right direction. As members of the Legislature, we are all trustees, if you like, of the public good and have to be answerable. The best way to ensure that there is no violation of our public trust is to have a system of disclosure of assets.

So on behalf of my colleague in the Official Opposition, Mr. Speaker, I just say that we look forward to the process. We think it's long overdue. Hopefully, as a result of the deliberations of the Committee on Privileges and Elections, Standing Orders and Printing, which will be given this responsibility, we will have an opportunity to deal with the Act, I suspect in the fall. As a consequence, we will have a stronger Legislative Assembly Act, which I hope — and I suspect all members can agree with this — can contribute to a greater sense of confidence on the part of Albertans in the operations of this Legislative Assembly.

head: ORAL QUESTION PERIOD

Palliative Care

MR. NOTLEY: Mr. Speaker, I'd like to direct the first question to the hon. Minister of Hospitals and Medical Care. It's with respect to the palliative care unit at the Youville wing of the General hospital. On March 31, 1983, the minister wrote the board chairman of the

General hospital and indicated that the palliative care policy paper was under consideration by the department but had not yet been approved by the government. Given the importance of this question, my question to the minister is, why?

MR. RUSSELL: Why what, Mr. Speaker? I'm not sure of the question.

MR. NOTLEY: Mr. Speaker, why has a palliative care policy not been adopted by the government?

MR. RUSSELL: Mr. Speaker, perhaps the hon. member hasn't been listening to some of the discussions on the question of health care and hospital funding. Our dilemma this year, not only in Alberta but across Canada, is to find from the sources available sufficient funds to continue the programs that are in existence, and not to add new programs.

With respect to the program that is in effect at the General hospital, on November 24, 1981, the board was told not to do it because there was no funding. They were given funds for other programs, and they went ahead and did it anyway by diverting funds from other approved programs. Many months later, they came back and said: well, we've done this; you've always picked up deficits, so how about picking up this one? Of course, we can't manage a hospital system that way.

MR. NOTLEY: Mr. Speaker, a supplementary question. In the minister's letter of March 31, he makes reference to the palliative care policy paper written by the Department of Hospitals and Medical Care, a copy of which I have at the moment. But given his initial answer about the costs of health care, why would the government not consider proceeding, in view of the observation contained in this executive summary that the palliative care program is in fact cost effective and more cost effective than other types of geriatric care?

MR. RUSSELL: I'm sorry the hon. member doesn't understand the message I'm trying to get across. The Youville pavilion is a rather nice building built for the special care of geriatric patients on an outpatient and day-patient emphasis, and those programs are exceptionally cost effective. The board of the hospital applied for nine programs; we approved eight. In my letter to the board of November 24, 1981, I specifically said — and I'd like to read one sentence, Mr. Speaker:

You will note that palliative care is not among the above listed program approvals. Approval of this program is being deferred pending the finalization of the Department's provincial policy on palliative care and the conclusion of discussions with other Edmonton hospitals on this [project].

So it's not a program that affects just the Edmonton General; it affects the whole Alberta hospital system. And it is an add-on. Notwithstanding that, on its own initiative the board took funds from other programs, which we perceived to be badly needed, and diverted them to this one.

I think there's a key sentence in the chairman's letter to me this spring, wherein he says:

We appreciate that when a hospital undertakes a program without approval and without funding it creates a deficit position, however, it has been our experience that, in the past, deficits for worthwhile programs have been picked up by the government.

That's the kind of thing we're trying to stop, Mr. Speaker: this belief that if a board picks up a program that's unapproved, and runs a deficit, the government will be there at the end of the year to bail them out. We can't achieve good fiscal management with that kind of philosophy.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. That's a very interesting observation on government policy, but that's not the question. The question is with respect to the policy paper on palliative care services prepared by program planning, research and strategic planning, institutional operations, of the Department of Hospitals and Medical Care. The question is with respect to the observation contained in that preliminary policy, which the minister indicates is under review, that in fact palliative care is more appropriately cost effective than programs currently in place. Given the minister's concerns about costs of hospitals, why has this matter not been resolved by the government?

MR. RUSSELL: Mr. Speaker, it's not a question of resolution by the government. I think there's no question that every jurisdiction in North America would love to have a palliative care program in place, or the hospice concept, whatever label you want to put to it. We have devoted considerable time and attention to the matter. Some of our MLAs have attended conferences. The advisory committee to the minister, made up of citizens at large, has considered the paper and the policy at some length. But this year we are struggling — and I mean struggling — to achieve some kind of budget control.

I repeat that the palliative care program as proposed by the Youville hospital is an add-on; it's not in place of something else. Our experience with all these alternative suggestions has been that in their first year of operations, they are add-ons. I can only repeat that on November 24, 1981, in a fairly long letter to the chairman of the General hospital, we specifically said there was no funding for that program, and don't do it. They went ahead and did it anyway. Their response was: well, we know you've always picked up deficits in the past, and we thought you'd do it again.

MR. NOTLEY: Mr. Speaker, a supplementary question. In his March 31 letter to the board chairman, the minister indicated that the palliative care policy I referred to has not yet been approved by the government. But given the observation contained in this draft prepared by the minister's department, that in fact palliative care is more cost effective, when is it the intention of the government to develop a policy on palliative care?

MR. RUSSELL: Mr. Speaker, I think that's a very fair question. In the next few months, I hope to get the paper discussed through caucus committee and cabinet, and perhaps we can come up with some kind of general public policy. But as in the case of an ambulance program, we recognize that if we're prepared to support such a program and there are dollars attached to it, we have to provide the dollars. If they're not there this year, there's little point in making the program part of the Alberta hospital system.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister saying that in his assessment of the department paper, palliative care is in fact going to be a costly add-on, when one of the burdens of this paper is to

suggest that it is more cost effective than current methods of geriatric treatment?

MR. RUSSELL: Mr. Speaker, palliative care is a program of medical and other supportive procedures that are administered to the terminally ill. If we went into a palliative care program, by way of hospices and the supportive programs, in the Alberta hospital system as it now exists, I'm confident that in its first few years of operation it would be an add-on. That's been our experience with all these alternative programs, such as surgicentres and the local medical clinics. Of course they take the place of something else, but there's no corresponding reduction in the something else. So they do become add-ons.

In the specific case of the General hospital in Edmonton, here are the programs to which we committed \$11.5 million, and I think they're very worth while. I should read them:

- Assessment Program
- Rehabilitation Program
- Active Maintenance Program
- Intermittent Readmission Program
- Social Relief Program
- Psycho-geriatric Program
- Day Hospital Program
- Outpatient and Consultation Program

If you can recognize the thrust of those, they're all aimed at outpatient or day care for the elderly, chronically-ill person who has some hope of rehabilitation and cure.

At their own initiative, the General hospital board diverted funds from those programs. Some of the beds intended to be in operation for these programs are sitting empty a year later, and those patients don't have access to those programs that have been approved. On the other hand, they did divert some of the funds into the palliative care program. Notwithstanding the fact that the palliative care program is a very worthy one, there wasn't money approved for it. So now we've got these other programs not being fully administered and a program that, worth while as it is, doesn't have a source of funding. The response of the board is to say: well, we knew what we were doing; we ran a deficit, but we expected you to pick it up. We can't make that commitment, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question.

MR. SPEAKER: Might this be the final supplementary by the hon. leader, followed by a supplementary by the hon. Member for Cypress.

MR. NOTLEY: Mr. Speaker, could the minister tell the Assembly whether there are any contingency plans in place? The minister has said that because of a letter written in November 1981 indicating he wouldn't approve it, the department will not pick up the \$250,000. But given the team and the expert people who are working in that unit and the problems of that team being dispersed if the health care unit is closed down, has the government any contingency plans at all which would allow the team to be retained should the government agree to its draft proposals on palliative care in the next few months, so we don't lose the people while we are developing the policy?

MR. RUSSELL: No, Mr. Speaker, we don't. That is of course a matter of board responsibility; those people are the employees of the board. There are other people in the city of Calgary who are working on a community basis on the same program and, as yet, we haven't been

approached by the board for some alternative source of assistance. So that proposition hasn't yet been put in front of us. I'm only aware of the public statements in the media yesterday, issued by the hospital officials, saying that they're still hopeful that they will find some non-government source of funding and keep the program going.

MR. HYLAND: Mr. Speaker, a supplementary. I wonder if the minister or his department would have any idea of the cost if all hospital boards in Alberta that approached the department in the last year for the programs they thought would be cost effective had done the same, gone ahead and ignored the advice that there was no money for these programs. If they went ahead with these programs, initiated them, what would be our history of excess money this year?

MR. RUSSELL: That's a very good question, and I'd hate to even put a figure on it. I could rattle off several examples. But it's interesting that I took a great deal of criticism from the present Leader of the Opposition for permitting the Walter Mackenzie hospital to go ahead at their own initiative and do things. And I was supposed to control things. [interjections] Now we have a board doing the other thing. I'm trying to point out to the hon. member that we were very, very careful in our instructions to the board, and he doesn't like that. [interjections] I know that a party that gets their instructions from Toronto has difficulty with these kinds of issues.

MR. NOTLEY: Mr. Speaker, on a point of order. I certainly welcome the opportunity to debate, but I really ask the Speaker to make a ruling. If we are not to incite debate in asking a question, I honestly put to you, sir, whether that kind of comment by a minister on the last question should be allowed, when there are no other supplementaries allowed. I think we're going to have to have the rules applied fairly. Now, I just put it to you: on what basis is a minister allowed to make those kinds of comments in answering an oral question in this House? [interjections]

MR. SPEAKER: As the hon. leader knows, there are many occasions when something which is out of order is said in the question period or otherwise. Once it has been said, the Speaker can't go fetch it and bring it back as if it hadn't been said. In this case, I agree that the hon. minister was taking unto himself a very considerable degree of latitude. But as far as debating is concerned, the whole tenor of the questions thus far have been of a debating nature. The substance has been: in view of this statement that says that palliative care is cost effective, why aren't you doing something? Now, that's debate if I ever heard any. [interjections]

MR. KOWALSKI: Mr. Speaker, a supplementary. Would the minister give the Assembly assurances that he will not — and I repeat, will not — advance a decision on the merits of a palliative care program until all members of the Assembly have had an opportunity to debate Motion 213 on the Order Paper, dealing with a palliative care program for the province of Alberta?

MR. RUSSELL: That's an excellent suggestion, Mr. Speaker.

MR. NOTLEY: Anything to delay.

Oil Pricing

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Minister of Energy and Natural Resources. What personal representation has the minister made with respect to the observation on page 11 of The Economic Outlook for Canada, tabled in the House by the hon. minister, which would appear to indicate that the federal budget is based on the assumption of an oil price rollback?

MR. ZAOZIRNY: Mr. Speaker, so as to ensure that I'm not accused of inciting debate, I will not explain more fully than has already been put before this House our views with respect to oil pricing. I think they are clearly understood. All hon. members will recognize that the Alberta view has been very strongly placed in front of the federal government. By the same token, there will be discussions in the weeks ahead, commencing in early May, involving myself and the federal Minister of Energy, Mines and Resources, as well as officials of our respective departments. I would think it perhaps a surprising although very pleasant development if, prior to the commencement of those discussions, the federal government took a position other than the one outlined in the Budget Address.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Provincial Treasurer. In terms of the estimates that are being prepared, has the Provincial Treasurer been able to ascertain from the federal government whether or not the observation on page 11 of this document is in fact the basis for developing the estimates in the budget as far as revenue is concerned, and that in fact the government is presuming a rollback after July 1 or perhaps September 1?

MR. HYNDMAN: Mr. Speaker, we haven't completed the detailed work on the budget. But it's certainly not surprising, from the point of their negotiating position, that the federal government would do anything other than has been suggested and is in the federal budget.

MR. ZAOZIRNY: Mr. Speaker, perhaps I could supplement the answer of my hon. colleague by indicating to the hon. member addressing the question that if he is truly interested in ensuring that no rollback occurs, perhaps he could get on the telephone and confer with his leader ...

MR. SPEAKER: Order please. [interjections] Order please.

Ministerial proposals of that kind are not part of ministerial answers.

MR. NOTLEY: Quite frankly, Mr. Speaker, it would have been much better if you'd let him answer. We could have had a much more interesting, lively question period.

MR. SPEAKER: And the Chair would have been glad to do that, had there been unanimous consent that we now revert to debate.

MR. NOTLEY: Well, Mr. Speaker, I think that's what we should do in the question period. I'd love to come back to the hon. Minister of Hospitals and Medical Care.

We can start the debate with him.

However, I'd like to ask the Minister of Energy and Natural Resources what consideration has been given by the provincial department to the continuation of the IORT holiday and the impact that is going to have, or at least the concern expressed in some quarters that the major beneficiaries of that program will be the larger companies as opposed to smaller companies that are basing their operations almost exclusively in western Canada?

MR. ZAOZIRNY: Mr. Speaker, surely the hon. member is not suggesting that we should advocate the imposition of the incremental oil revenue tax.

MR. NOTLEY: Mr. Speaker, my question is whether or not there's been any assessment of the tax measures in this budget and the relationship they have as far as larger companies, that have far more flexibility and ability to shift capital, as opposed to smaller companies that are reinvesting most of their money back in Alberta?

MR. ZAOZIRNY: Mr. Speaker, if one is considering the implications of the federal budget on the energy picture, it would be fair to say that there are pluses and minuses contained in that document. Clearly, the continued suspension of the incremental oil revenue tax, which will likely have a positive benefit in the order of some \$225 million, has to be viewed as a positive factor, notwithstanding the exhortations of the hon. Leader of the Opposition. By the same token, of course, it would have been our preference to see a continuation of the lower level of the PGR tax.

A number of provisions of that budget impact on the energy industry. Certainly we view with some pleasure the continued suspension of the incremental oil revenue tax. We believe that if one takes a look at the overall package of incentives offered by the province of Alberta, there is every opportunity and incentive that can be reasonably contemplated by the industry in this province. We think that we're going to see the results of those incentives in the months ahead.

MR. SPEAKER: We're rapidly running out of time. If the Assembly agrees, perhaps we might deal with a question by the hon. acting leader of the Independents.

Odyssey Project

DR. BUCK: Mr. Speaker, my question is to the hon. Minister responsible for Public Lands and Wildlife. I recently asked a question on the Odyssey resort complex. Can the minister indicate to the Assembly if he's had an opportunity to review the Odyssey resort complex? The first question I would like to direct to him is: can the minister indicate if the department has had an opportunity to look at the on-site impact of the proposed complex?

MR. SPARROW: Yes, Mr. Speaker, the department has. They are preparing me a brief, which I will be taking to cabinet for a decision on the extension of the project.

I might as well answer the questions you asked last time. In the proposal, the existing Nordegg townsite was selected as the most suitable location. Therefore, when Odyssey is operational, staff will be housed in Nordegg and bused to the site. Also in their proposal, construction workers would be accommodated about 10 miles from the lease at the existing TransAlta Utilities campsite. You

know that this is presently before the courts, and they are delayed by the action.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate if his department has taken any further action on the investigation of the off-site environmental impacts on the adjacent Kootenay Plains and the White Goat and Siffleur wilderness areas? Does the minister have that information available?

MR. SPARROW: Mr. Speaker, I don't have the information right at hand. This whole area has been studied over the last 10 years, and the government's position back in 1970 was clear that they approved this project at that time. Over the years, there were numerous studies. If you would like me to read them into the record — in 1980, this government issued a recreation lease for the area, approved the site, and several studies have since been made. If the hon. member would like to visit my office, there are piles of files and hordes of information. The decision has not been made to change that lease, or any paragraphs thereof. That is under consideration by the department at this time for recommendation to cabinet.

DR. BUCK: Mr. Speaker, a further question to the minister. After the 1971 public hearings on the Slopes by the Environment Conservation Authority, there was a recommendation that further examination of an alternative site should be undertaken. Can the minister indicate to this Assembly if that commitment has been followed through?

MR. SPARROW: Yes, other areas have been looked at, and proposals by other people are being discussed at the present time. The plan for the total Rocky Mountains region is being looked at under resource evaluation planning. Several other groups have shown interest in that area, and nothing is being done until that regional plan is looked at.

MR. SPEAKER: Might this be the final supplementary.

DR. BUCK: One final question, Mr. Speaker. Can the minister indicate if he is going to actively pursue having a meeting with the Alberta Wilderness Association as to the ramifications of the Odyssey complex project?

MR. SPARROW: As late as this morning, Mr. Speaker, I was talking to Cheryl Bradley, the president of the Alberta Wilderness Association. She has an appointment with me next Friday to discuss this issue. One of the things I think we have to bring to the concern of the Assembly is that if projects like this are stopped, after government policy over 10 years has allowed them to go on — the number of jobs that this project alone will create would greatly help the Rocky Mountain House region. It is not my intent to be involved in a department that is going to slow down progress and not make those jobs available to the Albertans who need them.

MR. SPEAKER: We've exceeded the time for the question period. I apologize to the hon. Member for Edmonton Norwood. [interjections] Sorry, I made a miscalculation. The hon. Member for Edmonton Norwood.

Labor Legislation — Public Hearings

MR. MARTIN: Thank you, Mr. Speaker. I'd like to

direct my question to the hon. Member for Drumheller, who is the chairman of the Standing Committee on Public Affairs. Given that seats prebooked in the galleries by security are booked only from 2:30 to 3 p.m., can the chairman advise why, of all the other times available, it was deemed necessary to schedule the Alberta Federation of Labour at that time?

MR. CLARK: Mr. Speaker, I don't know where the hon. member is getting his information. As far as the seating arrangement is concerned, it'll be the same every day. There'll be no special arrangements, except that there will be eight seats provided and reserved for every representative making representation here in the Assembly. The rest of the seats will be open to the public, the same as any other time.

MR. MARTIN: A supplementary question, Mr. Speaker. I'm well aware of the policy, but I'm saying the galleries are full between 2:30 to 3 p.m. on Tuesday. That is the only time the galleries are full. Why did you schedule the AF of L when they could not bring their members at that time? [interjections]

MR. PURDY: Mr. Speaker, on a point of order. My students from Spruce Grove have as much right to come into this Assembly as anybody else. [interjections]

MR. MARTIN: On a point of order. I'm not questioning that his students have a right to be in the gallery. I'm asking why they were scheduled at that time, 2:30 to 3 p.m.

MR. CLARK: Mr. Speaker, I really don't see what the hon. member is driving at. But I would say that the vice-chairman and I did our scheduling the way we thought was ... Sometimes we asked the people what time they preferred. We gave them that time wherever possible. Sometimes we had to pick a time that we thought would be right for our hearings. We make no apologies for the students being in the galleries, because they are going to be there every day.

MR. MARTIN: A supplementary question, then, directly to the member. Did he consult with the Alberta Federation of Labour about their time?

MR. HIEBERT: Mr. Speaker, if I could supplement the hon. member's question. The particular group that the Member for Edmonton Norwood has brought to the Assembly's attention requested a particular day, and we fulfilled that request.

To get into the specifics of scheduling: as far as the chairman and vice-chairman are concerned, the galleries are really none of our affair; that is handled by the Assembly. Just so there is no misunderstanding, there are five seats available for the presenters when they are making their presentation, because we recognize that the presenters might want some assistance from counsel or other advisors. So it's five seats in the gallery, and they'll have three locations on the floor of the Assembly.

MR. MARTIN: A supplementary question. In view of the fact that the Alberta Federation of Labour does not want that particular time, would they look at rescheduling it?

MR. CLARK: No, Mr. Speaker, I don't think we'll be looking at rescheduling at this time. The schedule has been pretty well set up, and most of the people have been informed of their time. To reschedule it now would be almost an impossibility.

MR. MARTIN: A supplementary question. Why has the Alberta Teachers' Association been excluded from making an oral presentation?

MR. HIEBERT: Mr. Speaker, if I could just supplement the previous response. I would like to suggest that we have been in contact with the organization referred to by the Member for Edmonton Norwood, and it seemed satisfactory to them as of half an hour ago. There was a misunderstanding on the part of this organization, in that they assumed that only five seats would be available in the gallery and they would be shut out from the rest of the seats. That misinformation has been corrected.

Insofar as the other groups, I don't think the question period is the time to be discussing the schedule. [interjections] We'll be making the report on Monday when we meet with the committee, and that has been answered several times in the Assembly.

MR. MARTIN: I still haven't got the answer about the Alberta Teachers' Association. But on a point of order, I would draw to the member that Tuesday at that time, the galleries are full. There are 75 in the members gallery and 75 in the public gallery. How can ...

MR. SPEAKER: Order please. That is really not a point of order. That's debating the choice of times.

MR. MARTIN: What about the Alberta Teachers' Association?

MR. NOTLEY: Mr. Speaker, perhaps I could put a supplementary question to the hon. chairman of the committee, and ask the chairman to explain to the House — correct me if I'm wrong, but the answer we received today was that the chairman said: sometimes we asked the groups when they wanted to come. My question is: on what basis would either the chairman or the vice-chairman make the decision to consult with some groups as to their preference and not with others?

MR. CLARK: Mr. Speaker, I'd be only too pleased to answer that question and to clarify the record. We asked every group if they had a preference in time, and we tried to accommodate those that we could. Naturally we couldn't accommodate everybody, if they wanted to be the first ones up in the hearing. We tried to do the best we could, and I think we have done that.

Again for the record, there will be an opening statement. The hon. Member for Edmonton Gold Bar, my vice-chairman, will be laying out the schedule of who will take part in the hearings and who will be sending written submissions. All the written submissions will be tabled with the committee.

MR. MARTIN: A supplementary question to the hon. member. I'll ask the question again: why has the Alberta Teachers' Association been excluded from making an oral presentation?

MR. CLARK: Mr. Speaker, they have not been excluded from making an oral presentation. It was their wish that they put in a written submission.

MR. NOTLEY: That's news to them.

MR. MARTIN: A supplementary question. That's news to the Alberta Teachers' Association.

MR. NOTLEY: They're almost falling out of the gallery with surprise.

MR. MARTIN: A supplementary to the minister, or to the hon. member, in view of his statement. Why did he not change the time for the AFL, in view of the fact that they twice asked for a change of time?

MR. HIEBERT: Mr. Speaker, I'm glad I've been elevated.

MR. MARTIN: That's a lowering.

MR. HIEBERT: The group we responded to was given a date that they had preferred. Insofar as the specific scheduling is concerned, we thought we had given them prime time.

MR. NOTLEY: I put one question . . .

MR. SPEAKER: Excuse me, I must apologize to the hon. Member for Ponoka. He has been wanting to ask a supplementary for some time, and I haven't recognized him.

MR. JONSON: Mr. Speaker, not a supplementary. I'm just trying to get on the list.

MR. NOTLEY: A supplementary question to the Government House Leader. What is the intention of the government next Monday with respect to the preliminary report of the scheduling? It would appear there is at least some possibility of a difference of opinion over the scheduling. So that we not inconvenience people who are making submissions, would the government be prepared to examine the possibility of unanimous consent for the committee having a organizational meeting, perhaps early on Monday, so these organizational matters can be dealt with by the committee before we get into the hearing process itself?

MR. CRAWFORD: Mr. Speaker, no consideration has been given to that. I don't think that it's a practical suggestion. We could certainly give it some consideration during the day.

ATA Disciplinary Hearing

MR. JONSON: Mr. Speaker, I would like to direct a question to the hon. Minister of Education. I wonder if he could advise if he knows the status of any disciplinary action being taken by the Alberta Teachers' Association in the Keegstra case.

MR. KING: Mr. Speaker, this morning I had the opportunity to speak by telephone with the president of the Alberta Teachers' Association. At that time he advised me that while they had not yet received a request for a disciplinary hearing, they expected to receive such a re-

quest, inquiries having been made, and further that they expected to receive such a request imminently. I have since received word in the Assembly this morning that a request has been made to the Alberta Teachers' Association for a disciplinary proceeding related to Mr. Keegstra's teaching in the Eckville school.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. ISLEY: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Assembly, a group of 45 grades 7, 8, and 9 students from the Iron River school located in the Bonnyville constituency. The children are accompanied today by their principal Mr. David Panas and a group of teachers and parents consisting of the following: Keith Dargatz, Mike Mytrash, Rick Matthews, Mary Koziol, Mary Kolody, Doris Ulanicki, Arleta Larmand, and Donna Grant. They are seated in the public gallery, I hope, and I ask that they stand and receive the greetings of the House.

MR. CRAWFORD: Mr. Speaker, just before moving that you leave the Chair in order that the Assembly resolve itself into Committee of the Whole in respect of consideration of certain Bills on the Order Paper, perhaps I could mention to the Assembly something that I mentioned to the hon. Leader of the Opposition last evening; that is, the desire of the government, when a Supply day is called, to have as much time as possible for that after question period.

The reason I mention it now is that we are calling Bill 26, which is a major piece of legislation and could take considerable time in committee. Because of that, the business that's been previously announced is that we would follow it with other Bills in order not to have a short Supply day. I also indicated to the hon. leader last evening that in the event Bill 26 went more quickly than expected, we would still keep open the idea of a Supply day today. If so, it would be the Department of Federal and Intergovernmental Affairs and, if possible, Culture.

If we go ahead with the committee study of Bills, there may be some that cannot be considered. In particular, Bill No. 9 has come to my attention as one that could not be done today, as well as Bills 40 and 41.

I want to give that information while the hon. members of the opposition are still in the Assembly, Mr. Speaker.

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

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

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Would the committee please come to order.

Bill 26
Widows' Pension Act

MR. CHAIRMAN: An amendment has been circulated. Are there any questions or comments with regard to the amendment?

[Motion on amendment carried]

[Title and preamble agreed to]

MRS. EMBURY: Mr. Chairman, I move that the Bill be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of the Whole Assembly has had under consideration and reports Bill No. 26 with some amendments.

MR. SPEAKER: Does the Assembly agree with the report?

HON. MEMBERS: Agreed.

head: **COMMITTEE OF SUPPLY**

[Mr. Appleby in the Chair]

MR. CHAIRMAN: The Committee of Supply will now come to order.

Department of
Federal and Intergovernmental Affairs

MR. CHAIRMAN: Does the minister wish to make some comments?

MR. HORSMAN: Mr. Chairman, in participating for the first time in the estimates of the Department of Federal and Intergovernmental Affairs, I want to make a few brief comments and give members of the Assembly an indication as to those items which are likely to be of concern and action by the department during the current fiscal year.

Mr. Chairman, it is an honor for me to have been asked by the Premier to assume the responsibility of this department, given the fact that in the previous Legislature I had the responsibility of Minister of Advanced Education and Manpower, a department of some considerable size and complexity in terms of both budget and numbers of people associated with the department. It was what has been called a line department. I must say that I found the work in that particular portfolio challenging and interesting. I believe the government support for advanced education during my term was gratifying, and I think that has been reflected in the institutions served by that

department.

I say now that this is a new challenge for me as a minister of this government, in that the Department of Federal and Intergovernmental Affairs is what can be called a service department, a department which serves basically other departments of government and provides services relative to our relationship as a province with the other provincial governments, the governments of the territories, and the government of Canada. In addition, in consultation and co-operation with the government of Canada, we have several offices outside the country which are under the administration of the Department of Federal and Intergovernmental Affairs.

One of the primary responsibilities relates to the Constitution of Canada. Mr. Chairman, in the coming year we can look forward to a fair amount of activity relative to the Canadian Constitution. One of the first responsibilities I had to deal with related to the constitutional conference on aboriginal rights. I can now give the Assembly notice that during the course of this session, we will be presenting to the members for their consideration a resolution calling for an amendment to the Canadian Constitution relative to the constitutional accord which was reached between the provinces, the government of Canada, and aboriginal groups. That resolution will be debated during the course of this session of the Legislature.

I must say that it has been an interesting few months. Quite frankly, I think a great deal was achieved in co-operation with my colleague the Minister responsible for Native Affairs and the Metis groups in Alberta — the Metis Association of Alberta and the Federation of Metis Settlements — relative to establishing an Alberta position prior to that conference. During the next few months, we look forward to additional discussions with the appropriate organizations in Alberta towards developing a position for the next constitutional meetings, which will first take place at the ministerial level. Within a year from the date of signing the constitutional accord, March 16, there will be another first ministers' conference to deal further with issues relating to aboriginal peoples and the Canadian Constitution.

So we will have the responsibility facing us as legislators to work with the Metis organizations in Alberta, in particular, as well as with other national groups that represent Metis peoples and, if possible, with the other organizations representing Indians, keeping in mind the fact that the official position of the Indian Association of Alberta and their national organization is that they wish to deal particularly with the government of Canada. However, it will be an interesting time.

As well, Mr. Chairman, we will be further discussing the role of the Senate. As was indicated in the Speech from the Throne, Alberta will continue to press for reform of the Senate. Members will be encouraged to express their views as to how the Senate might best be reformed so it truly represents the views of the provinces in the federal Parliament.

A particular concern I think I should touch upon relates to Quebec in Confederation. All members of the Assembly are aware that there has now been a period of over a year in which the government of Quebec has expressed its strong disagreement with the results of the constitutional accord of November 1981. It is the government's intention to pay particular attention to the legitimate concerns of the people and the government of Quebec relative to their place within Confederation and the effect of the Constitution Act upon that province.

Alberta has taken the position that it is extremely important that the people of Quebec feel they are part of this country of Canada. In working with the minister and the government of the province of Quebec, I hope to try to achieve some method by which their concerns can be legitimately and appropriately met within the Canadian Constitution.

As my first visit as a minister, in December last year I undertook to meet with the Hon. Jacques-Yvan Morin, the Minister of Intergovernmental Affairs in Quebec. On several subsequent occasions, we've had the opportunity of discussing how Quebec's concerns might be met by appropriate constitutional changes in the future. At this stage, I will not go into any detail as to how those might be achieved. But it is very important that the dialogue be opened and continued between the provinces, the territories, and the government of Canada, and the government and people of Quebec to ensure that the province of Quebec remains a partner with us in the development and shaping of this country of Canada.

[Mr. Purdy in the Chair]

I also want to indicate that it is my intention to travel fairly extensively in northern Canada, Yukon and the Northwest Territories, to meet with their governments and to try to ensure that the evolution of those territories into full government has the support of the people of this province, and hopefully gain the support of other provinces, as they seek to change their form of government to one which is truly representative government.

It may be a very long time — perhaps not in my lifetime as a member of a Legislature or a government — but I do expect that eventually Canada, in its evolution towards a full and complete nation, will see both the Northwest Territories and Yukon move to join the other provinces as full partners in Confederation.

I know that there is a great deal of interest in the Northwest Territories and Yukon as to the method by which Alberta and Saskatchewan evolved into their present status as full partners in Confederation. Indeed, in my visits to both territories, I have found it interesting that they are great historians, in that the legislators in both territories have spent a great deal of time reading the debates which took place in the Northwest Territories prior to 1905. I think it would be useful if, from time to time, all of us as legislators were a little more interested in our history as well.

One other aspect that I did wish to touch upon as far as the work of the department over the next year is concerned will be of very great significance to all Canadians, and Albertans in particular. It relates to the response that the government of Alberta will make to the Macdonald royal commission on the economy. Mr. Chairman, the department is now very carefully reviewing the alternatives available to this government as to how to make appropriate responses to the Macdonald commission as it sets about its work under the mandate given to it by the government of Canada. The mandate and the terms of reference of that royal commission are the broadest and most comprehensive ever given to a royal commission in Canada. They relate not only to the subject of the economy, but to the appropriate constitutional framework which would best serve the development of the Canadian economy in the long term.

That being the case, it is essential that all members of this Assembly be thoroughly familiar with the terms of reference of that commission, its membership and com-

position, which is interesting, and the way it carries out its work. So we will be monitoring that very carefully and, in due course, making recommendations to the Assembly as to the Alberta position and response to that commission and its activities.

Mr. Chairman, I should also point out that the Alberta offices in London, the Pacific Rim, Tokyo, New York, Houston, and Los Angeles will continue in a vigorous way their activities relative to promoting Alberta trade and tourism, and generally working very carefully with the government of Canada in each of its locations to make sure that Alberta's interests abroad are appropriately considered by other governments and by the business and financial communities that exist in other parts of the world.

Mr. Chairman, as a result of this portfolio's responsibilities and in my previous portfolio, I have had the privilege of visiting each of the 10 provinces and the two territories which comprise this nation. As a minister representing this government, I intend, as I have indicated, to continue to travel during the course of this year to meet with those provincial and territorial governments and with appropriate ministers at the federal government level, to make sure that Alberta's position relative to our future within Canada is clearly understood.

I might point out as well that we are going to be following very carefully and closely the developments which are now taking place relative to the proposed amendments to the Constitution relative to property rights being placed within the Charter of Rights. Through question period in the Assembly, I have already expressed the concerns this government has relative to the federal government assuming a role of any kind relative to the matter of exclusive provincial constitutional responsibility — and I underline the use of the term provincial government constitutional responsibility — for property and civil rights. Because that's what it is: it is our responsibility on behalf of the people of Alberta to ensure that property laws for Albertans are made according to the wishes of Albertans.

That is one of the great aspects of the Constitution; in 1867 and prior thereto, the fathers of Confederation determined that in order for a country as diverse as Canada to exist, there must be a clear division of responsibilities between the orders of government. There has never been any quarrel on the part of this government that that was an appropriate way of dealing with the diversity of Canada, keeping in mind that when the fathers of Confederation met, they were really talking about five colonies that were in the original discussions. Even though Prince Edward Island did not join in 1867, it was part of the original discussions. Now we have a nation which is one of the largest in the world geographically, growing in population, and diverse beyond almost anyone's imagination with respect to its peoples, geography, and economic development, yet staying together as a nation. Hopefully, as Canada grows and develops, that will continue for centuries to come.

But we do need to maintain a federal state. If we do not, I fear that the country's strains would be immeasurable. Therefore, our government will continue to support the concept of Canada as a federation with shared responsibilities, in some cases with the federal government, but exclusive and mutually agreed upon areas of constitutional responsibility for the federal government where we as a government have no direct interest in interfering with the government of Canada and its responsibilities. Likewise, we ask that the government of Canada respect those

areas in which the province has exclusive constitutional responsibility, one of which is property rights.

Of course, we will be taking a great deal of care to make sure that our position is clearly understood by all participants in this Canadian partnership. I might say that that issue has been debated in this Assembly on a number of occasions since I became a member in 1975. There's no question that the issue has been well debated, well understood within the Assembly. Because of its complexity, I am not as certain that it is well understood by all Albertans or, for that matter, by other governments.

In any event, we will do our best to try to make clear the message that we believe in the Constitution as it now exists and we are prepared to make appropriate changes after discussions and consultation with other governments. But as we've indicated on a number of occasions, we as a government are not prepared to have matters unilaterally thrust upon us by the government of Canada, particularly when it deals with such matters as are now the clear constitutional responsibility of the provinces, according to the division of authority in the Constitution Act, now called the Constitution Act of 1867, formerly and familiarly known to most of us as the British North America Act.

With those comments, Mr. Chairman, I would be pleased to answer any questions relative to the budget now before the Assembly, pointing out that it's the only department in government that is still operating in single digit, million dollar figures.

MR. NOTLEY: Mr. Chairman, during the course of my remarks, I want to touch on a number of federal/provincial issues. But at the beginning, on this question of property rights, I do want to say that as I view this country, property and civil rights have always been provincial jurisdiction and should continue to be provincial jurisdiction. That is not to suggest that property rights shouldn't be protected; indeed they should. But they should be protected within the jurisdictional base of the provinces. We passed legislation in 1972 which I think goes some distance to protecting property rights in this province.

It seems to me that there's a certain inconsistency on the part of a number of people who are arguing that property rights should be entrenched in the Canadian Charter of Rights, because many people who were arguing that case were also separatists. It was a little strange to have separatists, who believe in breaking up the country, suggesting that we had to have property rights somehow entrenched in the Charter of Rights for the country as a whole.

So, Mr. Chairman, I do suggest to the members of the committee that — does someone want to introduce somebody?

MR. DEPUTY CHAIRMAN: I was going to ask the hon. Leader of the Opposition if we could intervene for introduction of visitors, because the group has to leave.

MR. NOTLEY: Indeed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. PENGELLY: Thank you, Mr. Chairman. It's my pleasure to introduce 40 grade 8 students from the

Grandview school in Bowden. They are accompanied by their group leader Mr. Riewe, Mrs. Schindel, Mrs. Hughes, and Mrs. Wood. They are seated in the public gallery, and I ask them to rise and receive the warm welcome of the House.

head: COMMITTEE OF SUPPLY

Department of Federal and Intergovernmental Affairs (continued)

MR. NOTLEY: Mr. Chairman, I want to touch on several other items that relate to the Constitution, before getting into issues that I think have more bearing on ongoing policy but are certainly well within the scope of what should be federal and intergovernmental affairs. I think that we in this province especially have an obligation to go the second mile as we attempt to resolve this question of defining existing native rights in the Constitution of Canada. Members will recall that it was the subject of a lot of concern in the fall of 1981 when the agreement took place to bring back the Constitution. As a result of that agreement in Ottawa, native rights were left out, and we had the great demonstrations across the country. We had the decision of the premiers, with the exception of Quebec and the federal government, to introduce a clause dealing with existing native rights. Of course a definition of "existing" is going to be extremely difficult to resolve. But I say to members of the committee, especially in view of the position taken by the Premier of Alberta on the issue of existing native rights, that we have an obligation to approach this issue in a spirit of magnanimity and generosity, and not in any way take a narrow legalistic approach which would restrict the definition in the Constitution of this country of the rights of our first people, whether treaty or non-status Indian, or Metis.

Now, Mr. Chairman, I want to deal with the issue of the Senate. For a long time, the position the party I represent has taken on the Senate has been fairly straightforward and clear; that is, we should abolish the Senate. While that may bring all kinds of woe to the faces of politicians who think that someday the reward for faithful service is a seat in that august body, I think that one thing we've discovered is that there is virtually no support among Canadians as a whole for the present Senate. It is an object — perhaps unfairly, but I don't think so — of cynicism and ridicule among most Canadians, because what is it?

The method of appointing is pretty obvious. When the Liberals are in office, they appoint Liberals; when the Conservatives are in office — they're not in office very often — they appoint Conservatives. So the net result ... [interjection] There are no New Democrats. One Social Creditor was chosen in over a hundred years of the operation of the Senate. I should say one New Democrat — Madam Casgrain was appointed by Mr. Trudeau. But the fact of the matter is that you have an appointed body having at least some power in the Constitution of this country.

So those of us, at least in the party I represent, who have looked at the issue for many years said: look, let's set this organization, this institution, aside and we'll have an elected House of Commons; the popular election of members to the House of Commons would be more consistent with the democratic principle, and we'd have to

find some other way to reward Liberal and Tory politicians.

Mr. Chairman, the feeling that perhaps caused me to reassess my position on the role of the Senate was not my generosity to former Liberal and Tory politicians — which, as you know, is very great — but the sense that perhaps we had to do something in this country to provide a regional balance to the numbers. That didn't mean the continuation of the Senate. In my view, it didn't even mean the election of the Senate. It meant an entirely new approach to a second chamber in the House of Commons.

So my colleagues in the provincial New Democratic Party spent the better part of six or seven months on a constitutional paper, which we presented in January 1981 to the joint Senate/House of Commons committee on constitutional reform. It is rather intriguing to go to the august body of gentlemanly senators and suggest that one of your principal objectives is that the Senate be abolished. Nevertheless, having some experience at promoting minority causes in a majority gathering, it really didn't faze me a great deal.

The point I'd like to make is that when we look at replacing the existing Senate with some kind of council of the provinces, it seems to me that there are a number of principles we should keep in mind. Principle number one is where I differ from the proposal outlined by the government, as I understand it. I think the Americans have a good proposal. Each state has the same number of members, whether its Nevada, with a population of 350,000, or California, with a population of 22 million or 23 million. So the proposal we took to the joint Senate/House of Commons committee was that all provinces would have equal representation, and we suggested 10 members from each province.

The second thing we said is that the method of selecting these members should not be by the federal government because, after all, the purpose of a new house of the provinces is to provide some sort of regional balance in the federal system. So these people in fact should be chosen by the provincial government. And they should be there during the period the government is in office, because there's not much point in having a group of senators who are off representing somebody when you have a complete change.

Let me give you an example. In March 1982, it would clearly have been in the interests of the proper functioning of the system to have a group of New Democrats from the province of Saskatchewan. But with the election in April that changed. Perhaps things will change in British Columbia in a few weeks. Things changed in Manitoba in November 1981. But the point we wanted to make was that the composition of the house of provinces had to be reflective of what in fact was occurring in the province.

The third point we made was that the assignment of duties to this house of provinces should be primarily related to those areas of jurisdiction where there are overlaps, where there are requirements that we have the consent of the provinces. So not all things would necessarily have to go to house of provinces. But all things that had any federal/provincial overtones, implications, what have you, would have to go to the house of provinces and would have to be passed by the house of provinces before the change could be made. Some of the government members get very agitated about the national energy program. That would be one such example under the formula that we proposed. Here is a program that has both federal and provincial implications. It would not

only have to pass the House of Commons, where the majority would rule, but it would have to go through the house of provinces as well.

Mr. Chairman, those are some of the proposals that the Alberta New Democratic Party made to the joint Senate/House of Commons committee. I might say as well, especially for some of our hon. government members who like to talk about the Toronto NDP, that that was also the position adopted by the national party at the instigation of the Alberta members of our federal council.

Mr. Chairman, having said several things that I don't think are overly controversial, as Leader of the Opposition I would not want to upset the hon. minister by spending most of my remarks congratulating him. He's got enough people to do that in caucus, and I'm sure, as time goes by, there may be the odd one who will be stirred to stand and tell him what a great job he's doing. If there isn't, well, maybe that's a sign of the times.

Mr. Chairman, there were a couple of major areas during the minister's introductory remarks — quite frankly, I was sitting on the edge of my chair waiting for this definitive statement from the Minister of Federal and Intergovernmental Affairs, and I waited in vain. One subject is the Crow rate; the second is the complex — but we know the minister is an intelligent man — and difficult question of testing cruise missiles in Alberta. Let's just take a moment or two to explore both those issues.

We have a government, of course, that is not afraid to trespass on other provinces' jurisdiction, despite the minister saying that we have to stay within our own jurisdictional backyard. I well remember in 1976 all the backbenchers and frontbenchers in this House pounding their desks with enthusiasm when the Premier told us that he was going to the United States, to Washington, to lobby governors, senators, and congressmen to put some pressure on the government of Canada to change trade policies that he didn't like. We've always had what you might call an expansionist provincial policy in this province, so that it never worried us if we wanted to get into issues. If it was a case of rattling a few cages, we were quite prepared to rattle those cages — I won't say what was in those cages. Nevertheless we were quite prepared to go beyond the jurisdiction of the province.

Mr. Chairman, during the late '70s, I remember discussions in the House when one day we spent a lot of time on the export policies of the Canadian Wheat Board, obviously something that is narrowly within the jurisdiction of the federal government but properly the purview of the Legislature to discuss. So we spent some time discussing it. We discussed GATT and the kind of representation this government was going to make on trade agreements — technically a matter of federal jurisdiction but certainly properly within the scope of legislative responsibility in this province to at least assess.

Just because there are a couple of issues they don't want to take a stand on, I'm not prepared to let the government off the hook by saying, this is somebody else's jurisdiction and therefore we're not going to take a stand, and very sternly lecturing the Legislature on what the jurisdictional boundaries are. I'm as well aware of the jurisdictional boundaries in this Assembly as I suspect any member of the committee is. But there are certain issues on which we as Canadians have a right to speak out frankly, and the Department of Federal and Intergovernmental Affairs has to be the vehicle by which those concerns in Alberta are transmitted to other Canadians.

So let's deal with the issue of the Crow rate. We had our two fellow western provincial legislatures pass unan-

ymous resolutions. It is not very often you can get the Saskatchewan New Democratic Party and the Saskatchewan Tories to agree on anything, but in February a resolution on the Crow rate was unanimously passed by the Saskatchewan Legislature. We all know there is a little rivalry, just a touch, between former Premier Sterling Lyon and the now Premier of Manitoba, Howard Pawley. But there was a unanimous resolution on the Crow rate passed by the Manitoba Legislature. Now we have the Minister of Agriculture and the Minister of Economic Development trying to tell us that somehow the Pepin plan is good for us. Well, it may be good for some people, but it isn't good for the farmers I represent in northern Alberta. It isn't good for the small towns which will see variable rates, potentially ending an elevator system on which the business of the community depends.

Let me tell you, Mr. Chairman, it seems to me that on this particular issue, we should be making common cause with our two fellow prairie provinces and putting pressure on the federal government. We all know that Mr. Pepin has an agenda. If he's not able to meet the objective of getting this thing rammed through the House of Commons by the end of June — there's a very real possibility that he won't succeed and, as we get closer to an election, we could have a new government. It seems to me that what we should have on the part of this government is a much firmer position.

When I watch television and see Mr. Mazankowski, the Member for Vegreville — an individual I respect greatly, quite apart from his political allegiance — standing in the House and going after Pepin for these very expensive, misleading supplements that were carried in every Canadian magazine, and asking that farmers who oppose Crow rate changes should have access to the same kind of public funds ... He was dead on when he talked about the misleading element in that advertising supplement and totally correct in making that assertion, Mr. Chairman.

But where in heaven's name is this government in backing one of our most distinguished members from Alberta in the House of Commons on an issue that affects the farmers of Alberta? Maybe the federal Liberals have been able to convince all the backbenchers from rural Alberta that the Pepin plan is the answer. But they haven't convinced the farmers of Alberta. They haven't convinced the farmers, even those who aren't members of the pools, of Unifarm or the National Farmers' Union. In rural Alberta there is a genuine concern about the implications of the Crow rate.

I think there have been some pretty excellent positions taken on this issue by Conservative members in Manitoba and Saskatchewan. There have been some useful interjections and comments made by some of our federal members from this province, in particular Mr. Mazankowski. I say to members of the committee: where are we standing on this issue? Are we with Pepin and their proposal, which is going to take money from the pockets of farmers in Alberta, Saskatchewan, and Manitoba, to the railroads, with what kinds of guarantees? When I look at the Pepin plan, there are no guarantees at all that we're going to have that money reinvested. We hope it will be, Mr. Chairman, but we are going on the basis of wishful thinking. The Saskatchewan Legislature has made that point, and the Manitoba Legislature has made that point. Why are we not standing with them and saying to the federal Liberals: take this issue back to the drawing

board and come up with a program that is going to be helpful to the farmers of this province.

MR. MARTIN: They're in bed with the federal Liberals.

MR. NOTLEY: Yes, in bed with the federal Liberals. I don't know who's doing what to whom, but in any event the situation is not a very flattering one.

Mr. Chairman, we need some leadership from our minister on this issue. The Minister of Federal and Intergovernmental Affairs should be saying very clearly that we're prepared to go down there, just as we were in 1977 and 1978. We were going to rattle those cages over on the GATT question. Oh, boy; we were going to go down, we were going to talk to the senators and congressmen, and we were going to put pressure on Ottawa over natural gas. But on the Crow rate, suddenly we are the pussycats curled up at the end of the bed, purring away because the federal Minister of Transport has patted us on the head. My, my. The farmers of western Canada, but especially the farmers of rural Alberta, deserve better than that.

Let's take a look at the question of the cruise missile, Mr. Chairman. I know that during the debate we'll probably encourage a bit of intervention here, and I hope we do. But again, on this particular issue I say that the member who has taken one of the most courageous and, I think, moral stands has been the Member for Edmonton South, Mr. Roche, who has consistently argued the case for international disarmament. So we don't have all kinds of people coming in and saying, oh, the Leader of the Opposition is talking about unilateral disarmament, I want to make it clear that nobody of any credibility that I know in the major groups arguing for referendums, that are concerned about cruise missile testing, is advocating unilateral disarmament. We know that isn't going to work. No one is saying that. What we are suggesting very clearly is that as we move towards the brink of war, where we have a continual increase in escalation of armaments on both sides, both sides are going to have to try to draw back. I'm talking about international disarmament.

Mr. Chairman, I put the question to the minister because it is the Minister of Federal and Intergovernmental Affairs who has to deal with what I suppose some would see as a hot potato. The polls show that 52 per cent of Canadians oppose cruise missile testing. So on this particular issue, perhaps the private opinion of some of the caucus members is inconsistent with the public view of Alberta. I don't know. Perhaps we'll have an opportunity during discussion of the minister's estimates for many members to stand and tell us where they stand on this question of the testing of the cruise missile. Are they with Mr. Roche? Or are they with those who say let's proceed; let's step up the arms race; let's increase the ante.

Mr. Chairman, I say to the Minister of Federal and Intergovernmental Affairs that I realize it's not an easy question. But I know that in the years I've been in political life, sometimes the first move, while difficult to make, is the move that can save mankind. I remember in 1963 when the United States government took the initiative — it was the Kennedy administration, just a few months before he was assassinated — in which the United States and the Soviet Union signed the agreement to ban above-ground testing of nuclear weapons. It was a major international agreement. And the world is better as a result of it. The things I didn't like about Mr. Nixon were legion, but history will show that during the course of his presidency there was an effort to bridge the gap and draw

both sides back from the brink of war.

This Legislature can deal with the item of disarmament in two important ways. Number one, we can communicate our concern as a Legislature to the government of Canada on the testing of cruise missiles in Alberta. The reason it's not on the Order Paper is that I think the place that matter should be addressed is right here, in the estimates of the minister who would have to bear the responsibility of making that representation to the federal government. That's the first thing we could do, Mr. Chairman. The second thing we could do perhaps comes under the purview of the Minister of Municipal Affairs. But it can be dealt with right here as well, because it's all part of the same issue. We should make it clear that if local governments in this province want to hold referendums on the issue of disarmament, not only would we say it's possible but in fact we would encourage them to do so. There's nothing wrong with that. It seems to me that it's only as we give people an opportunity to express themselves on this, perhaps the most important moral issue of our time, that we really respect the democratic tradition and the obligations we have as members of this Assembly.

So I say to the minister: let's not get into a situation where we hide behind our jurisdictional answers and say, no, this is not our jurisdiction; it's somebody else's. During the medicare crisis in Saskatchewan I remember the late Premier of Saskatchewan, Woodrow Lloyd, quoting — because at that time it was a pretty tricky issue; people felt deeply about the issue — the lines from Dante that the hottest place in hell is reserved for those people who maintain their benevolent neutrality in times of great moral crisis.

Mr. Chairman, I don't think that members of this committee can be neutral on the issue of disarmament. I don't think we can be neutral about arms control. I don't think we can be neutral about any move that represents an escalation in the arms race. I hope that members of the committee take this opportunity to say where they stand on the issue and whether they are prepared to back yet another distinguished federal member of their party from this province who has a record on this issue that I think is exemplary beyond question and, in my view at least, should be supported by this provincial government.

MR. ANDERSON: Mr. Chairman, I'd like to participate briefly in this debate on the estimates of the Department of Federal and Intergovernmental Affairs. First of all, as an overall statement let me say that despite the fact that the budget of this particular department is one of the lowest in the government, if not the lowest, I believe it's one of the most important of our departments. Alberta's long-term future lies more than anything else in its ability to deal with other governments, both within the nation and without, to put forth Alberta's point of view, its rights, and also to sell its products and expertise everywhere else in the country. I think the minister and his department are most capable of doing that.

I have had a great deal of experience with the Department of Federal and Intergovernmental Affairs officials over the past couple of years, primarily on the constitutional issue. I believe they are among some of the best possible individuals in the country to deal with the issues inherent in that department's responsibilities. In my experience, Dr. Meekison and other officials of that department are unparalleled in what they've done and what they can accomplish. I believe that was shown a year ago when this province, more than any other, made its points

known in the new Canadian Constitution and, indeed, achieved a great deal for our place in Confederation for all time.

Having said that, I would like to make a few comments on a number of issues and ask a couple of questions. First of all, let me say that I was worried for the first half of the hon. Leader of the Opposition's speech. I agreed with just about everything that was being said. I thought we may be a lot closer than possible. Indeed I do respect the position on property rights. I think it's entirely correct and well articulated. Often it has amazed me that certain of our citizens in the province who at one time advocated this province departing from the country, at the same time advocated that the property rights issue should be federal jurisdiction and not provincial. I think there are ramifications to that issue that most individuals in the country do not yet comprehend, and we may have a job ensuring that the Alberta position, which I believe has been very sound, is maintained.

On the issue of the Senate, I went through much the same evolution in thought that the hon. Leader of the Opposition did, starting with the belief that it should be abolished and then should be elected. Now, because of the nature of our confederation and the difficulty of trying to inject an election into an upper House in this kind of parliamentary system, I have reached the conclusion that it needs to be representative of the provinces. I think there are a number of formulas we could look at. Certainly one of those is the one that the hon. Leader of the Opposition mentioned. I can't say that I disagree off the top with any of his suggestions in that regard.

I won't deal with the issue with respect to the Crow rate, as the Leader of the Opposition did. That's better dealt with in other debates by other members of the Assembly. Suffice to say that our situation in Alberta is considerably different than in Saskatchewan and Manitoba, and the leader knows that. I don't think those comparisons ever do justice to the individuals of this province.

On the cruise missile issue, I firmly believe that as provincial legislators we have to be careful at any time of mixing provincial and federal responsibilities. We try at all times to keep the federal government out of our responsibilities, to make sure that both our citizens, ourselves, and the federal government understand where our jurisdiction lies. I think we have to do the same with respect to the rights of the federal government. That doesn't preclude individuals, individuals in this Legislature as well, from stating their position on any positions. On that particular issue, I have some concerns about the direction — though I understand the suggestion — of cruise missile testing. But as a Legislature, I think it would be a mistake, and therefore a mistake for the Minister of Federal and Intergovernmental Affairs, to become involved in it, again confusing federal and provincial jurisdictions.

I have a couple of quick questions for the Minister of Federal and Intergovernmental Affairs. I would like to know if the minister has any time line with respect to his initiatives and the initiatives of this government with respect to the Senate and the negotiations with our colleagues in other provinces and with the federal government that will be required to change that body or replace it. Is it on the agenda in the near future? Are there plans to discuss that at the next first ministers' meeting? When does he anticipate that coming up and, specifically, what process does he expect they will be going through in that regard in the province?

Also, I brought up in last year's estimates the question of an office for the Department of Federal and Intergovernmental Affairs perhaps in Halifax, in the Atlantic provinces. At that time, the then minister indicated that he expected it to be in this budget. I don't see it here. I expect that's because of our economic situation, and I respect that. But I do want to remind the current minister of that suggestion. It was certainly the feeling of those of us who were on the constitutional committee travelling all of those provinces that the Atlantic provinces provide a great potential future for intergovernmental relations and projects with the province of Alberta. The distance from our province makes it difficult for continual contact, no matter how often the hon. minister or other ministers may try to get out there. I still strongly advocate an office in the Atlantic provinces, that will keep continual contact with those provinces and develop joint projects, joint positions, and share mutual concerns about the country.

Those are basically the statements I have. I just note as well that I was very glad to see that the hon. minister had visited the territorial governments. I think that in the long term of Confederation, our relationship with those territorial governments will be of mutual benefit to our parts of the country, and would encourage continued contact with those areas.

Having made those comments, Mr. Chairman, I look forward to the minister's response to those specific questions, and again congratulate him and his department on what I believe to be a crucial job and an excellent one for the province.

MR. MARTIN: I would like to rise to participate in the estimates in a couple of areas that my colleague has already talked about. I assure you I will not talk about the Crow rate; I will go into a couple of other areas.

The first has to do particularly with the minister's statement about the Senate. I understand that the proposal from this government is an elected Senate. I certainly agree with the minister that that's much better than the Senate we have at the present time. I think we would all agree that the Senate is now a rest home for old hacks, mainly from the Liberal Party because they've been in power the longest. Mr. Clark managed to get a few Conservatives in there while he was in power for a short period of time. At this point, when we talk about government waste, I think the Senate of Canada is probably one of the best examples we can find. So I agree that an elected Senate would certainly be much better than the Senate we now have, and I think we have to look at some reform.

I would like to come back to our proposal. We make it in a serious way; it's not partisan. As I understand it — and maybe the minister can clarify it — there are clearly certain powers designated to the federal government, to Parliament, under the BNA Act and the new Constitution. There are also powers clearly designated to the legislatures across the country. But a lot of areas crop up that seem to fall into both areas. For most people, it sometimes becomes hard to distinguish between what is federal responsibility and what is provincial responsibility.

The reason we would support our idea of the provinces ahead of an elected Senate is that even if we're electing a Senate, it seems to me we have another bureaucracy, a third level of government. I know people on the right wing do not like big government, so I'm trying to give them a way out of having a third level of government. I wonder if we're not just creating another problem. Our idea of the provinces was to deal with that third

area, the area that is hazy and falls between two jurisdictions, Parliament and the legislatures. The idea of the house of provinces — let's say, for example, oil pricing, which falls into both areas — would be that if the Parliament of Canada passed a law that affected provincial jurisdiction, they would have to get it passed through the house of provinces.

You can pick how many you want, but let's say all the provinces send five people. We'll use the example of this Legislature. This government could send whoever they wanted. It could be the Premier, the Treasurer, or some people outside government. They could decide who they wanted to send to the house of provinces. Each province — and this would get away from the domination by central Canada, Ontario and Quebec — would then have equal representation, similar to the American model. If Parliament passed a law, it would then have to go to the house of provinces. It would not become law unless there was a majority vote there. I think the simplicity of this is that we're not creating another bureaucracy, another level of government, and we're giving the legislatures a much more meaningful role in what I call the hazy area between the two.

I seriously propose this to the minister. I know it's not a decision people here are going to make quickly, but I believe it is a non-partisan issue. I think it elevates this Legislature. Frankly, the people best able to speak for provincial rights are in this Legislature and in the government of the day. So we would advance that again as a serious proposal. If the hon. minister wanted to discuss it more and was interested, we'd certainly be glad to sit down and discuss it with him in much more detail.

The second area I have to speak about — and I take a little different attack — is the cruise missiles. We realize that clearly it is federal jurisdiction; nobody is quarrelling with that. What we're talking about is moral leadership. We're saying that this government is an important government in Canada. Mr. Chairman, I don't know whether the hon. minister believes in cruise missile testing. We're saying that we understand it is clearly a federal jurisdiction. But because it's the biggest moral issue of the day and people on both sides feel strongly about it, we think we should be providing some leadership here.

Municipal governments across Canada and in Alberta have taken a stand on it. It's clearly not under municipal jurisdiction, but they feel it's so important — it's the biggest moral issue of the day — that they have to take a stand on it. As the minister is well aware, some have decided they are for cruise missile testing and some have decided they are against cruise missile testing. But at least they've taken a stand. That's what we're asking the government to do, not that they can change the policy. If somebody as important as the Premier of this province took a stand on it, it would have a lot of weight across Canada. There's no doubt about that. That's what we're asking for.

The fact that it's strictly under federal jurisdiction — if we end up in a nuclear holocaust, we're all going to be affected. So we have to have a stand on it. For example, there's some discussion now that President Reagan has changed the agreement so they could be testing stealth missiles, which are much more complicated and wide ranging.

The other thing — I don't know if the member has said it — is that if it is effected, it would affect Canada, Alberta, and this city. A quote in the *Edmonton Journal* says it well: knowing is terrifying, not knowing is terrifying; but not knowing is hopeless, and knowing may save

us.

I'm sure Mr. Chairman will allow me to refer to these notes a little more. If you recall, on August 7, 1982, the *Edmonton Journal* showed what would happen if a bomb fell on this city. You can bet that Edmonton, being right between the U.S.S.R. and the U.S.A., would be one of the target cities. You can almost count on that. One of the smaller weapons in the world's nuclear arsenal is capable of devastating Edmonton. A larger weapon could easily destroy most of the city. Of course there are many factors other than size that would determine the damage, including where the bomb explodes. But they took an example of one of the smallest nuclear bombs around, a one-megaton warhead. If that exploded on the ground at 101 Street and Jasper Avenue, this is what would happen.

Within 2.7 km of the city centre:

To the 50,000 Eskimos fans at Commonwealth Stadium. Doomsday appears as a burst of light, brighter than the sun. Those facing the explosion are instantly blinded. A fraction of a second later, the crowd is on fire. Then the blast wave, moving faster than sound, crushes the stadium. The city's major downtown hotels, Edmonton Centre, and The Bay disappear in a crater 20 stories deep.

It goes on to some others. I won't go through the whole part. You get the picture within 2.7 kilometres.

Between 2.7 and 4.3 km from the city centre:

In this secondary ring of destruction, from the Municipal Airport in the north to the Belgravia area on the South Side, half the population is killed by the effects of the blast. Almost all the survivors are injured and perhaps half of those might ultimately die of burns. Many of the rest would die, sooner or later, from radiation poisoning. Most buildings would be severely damaged ...

Between 4.3 and 7.5 km from the city centre:

In Londonderry, around the Southgate Shopping Centre, and on Refinery Row, half the people are dead or injured. Buildings have lost their windows and interior partitions.

Further than 7.5 km from the city centre:

The Misericordia is the only major hospital that might be left standing. But the area around it is heavily contaminated by radiation. Depending on wind patterns, the radiation might cause thousands of deaths for hundreds of kilometres.

[Mr. Appleby in the Chair]

The point I'm making is that this is real. These are the types of weapons we now have. This is the smallest bomb that could be dropped on Edmonton. We say we shouldn't take a stand. Last night a retired U.S. rear admiral, Eugene J. Carroll, deputy director for the Centre for Defense Information, who should know something about what's happening in the United States, urged Canadians to question U.S. policy and Canadian commitment to it. He said:

Canada is heavily targeted and cannot escape the consequences of nuclear war.

My point is that that's an American saying we should question it.

As my colleague said, Mr. Chairman — and I say this to the minister — nobody is calling for unilateral. We realize that the U.S.S.R., perhaps in many ways, is more to blame than the U.S.A., but they're both involved. Somebody somewhere has to take a stand on nuclear insanity. Perhaps in our small way, we can do that in

Alberta. I realize again that it is federal jurisdiction, Mr. Minister. But the point is that they are being tested over Alberta also. Many Alberta citizens are calling on us to take a stand one way or the other.

With those two major things, I conclude by saying, would he honestly take a look at the house of provinces? If there are weaknesses to it, we would appreciate knowing where those weaknesses are and why an elected Senate would be better. I ask the government to reconsider what I believe to be their moral leadership on the whole cruise missile controversy.

Thank you, Mr. Chairman.

MR. STILES: Mr. Chairman, I welcome the opportunity to join in this debate, particularly in the area of Senate reform which was addressed by the hon. member speaking before me. It is a matter of particular interest to me. I have maintained an interest in this subject since about 1967, if my memory serves me correctly, when the previous government in Alberta, along with the other provinces, was engaged in discussions and conferences which ultimately led to the constitutional reform debate that we have seen in the last couple of years.

In his remarks, the hon. minister said that the subject of Senate reform should be a matter of ongoing debate and it should be widely discussed throughout Canada. I could not agree more with the hon. minister's statement in that regard. I think the government of Alberta and the previous minister should be commended on having introduced a white paper on this subject, not necessarily to push one point of view but to encourage the debate and discussion that must go on before we change the fundamental blueprint for government of this country.

The hon. Leader of the Opposition suggests that we should abolish the Senate, and his colleague suggests something else. The question obviously has been asked and will continue to be asked: why should we have a Senate? To answer that question, I think it's important to understand the geography and the historical background of Canada. Canada developed in the last couple of hundred years. It's a very, very young country, but as a member of the British Commonwealth, we have a vast history of the development of the governmental process as it applies to a free people.

Canada developed first of all on two coastal regions. For obvious reasons, the Atlantic and the Pacific coasts were developed first. That was where the first settlers landed. As time went on, settlement moved inland and central Canada became the focal point of development, probably because the possibility of agricultural development in that area was somewhat richer than in the Atlantic provinces. Since the heartland of Ontario and the St. Lawrence region through Quebec were easily developed agriculturally and attracted settlers, population developed in that area. The western prairies, west of Ontario or Upper Canada, was largely developed through the fur trade and was not the subject of any kind of immigration until the latter part of the 19th century.

Of course it's important to remember that the area known at that time as Rupert's Land had been granted by charter to the Hudson's Bay Company — the traders operating out of Hudson Bay — by Charles I. The Hudson's Bay Company had been given not only the right to trade in the area with the Indian population; it had also been given the responsibility of governing the area. It wasn't until 1870 that that changed, so it's very recently that the area we now live in has come under a different form of government.

In 1870 the government of what was then Canada — which was the Atlantic and the two central provinces — purchased Rupert's Land, the Northwest Territories, from the Hudson's Bay Company. I believe there was a concept at that time . . . In fact I have read authors of that period. In particular, one comes to mind who categorized the purchase of Rupert's Land from the Hudson's Bay Company as the acquisition of a colony by Canada which could be exploited and would become to Canada what Britain's colonies had been to her: a source of resources, a territory that could be exploited. I don't know that that thought prevails to this day, but certainly in the minds of some people in western Canada it does.

Of course the more recent political history, since the turn of the century, is that the territory formerly known as Rupert's Land was gradually settled and formed into territories with their own governments. But the economic reality continued unchanged. As central Canada has become more settled, and in light of the political and economic philosophy of the 1870s and 1880s, the determination was made and the policy of the Canadian government was directed to establishing the industrial growth of Canada in central Canada. There was good reason at that time for that policy, and it was carried out. The building of the railway across this country facilitated the development and the population of the west, but it was always with the intention that the industrial might of the country would be located in central Canada.

In recent years we have seen how that central Canadian population has virtually exercised control over the government of Canada. That certainly is the view that led to the development of a party in this province that became known as the separatists. That perception, that the concentration of wealth and population power in central Canada would be detrimental to the development of an industrial base in western Canada, was at the root of the separatist movement, in the sense that these people were concerned that in any election in this country, the vastly superior population of the provinces of Quebec and Ontario could be manipulated to virtually control the rest of the country.

So there isn't any question that a Senate is needed in Canada, and a reformed Senate at that, not one that is constituted as it presently is, where the appointments to the Senate are controlled by the government of the day. I don't think I need to elaborate on the remarks made by other members in that regard. What we have today is totally unacceptable and will not work.

I'd like to digress slightly to develop the background for the proposal I would make with respect to how a reformed Senate should be constituted. I'm sure that for most hon. members I probably don't need to do this, but I would like to do it for the sake of establishing the background.

In a free society, people are governed by choice. We start out as a prehistoric group with absolutely no government at all. We move through an evolutionary or developmental process to some point in time where someone recognizes that there must be some kind of order. As a prehistoric society without any form of government, we also have the situation in which each individual can exercise his rights and freedoms to the extent that he can impose his will on his neighbor. The idea that rights carry with them responsibilities is a civilized idea. It is in that area that some kind of management must be introduced. Because simply stated, rights are really the freedom to pursue one's own objectives in the clear understanding that there is an equal and oppo-

site responsibility that the exercise of that freedom will not infringe on the freedom of the next person to pursue his or her objectives. In that regard, it seems that we need to introduce some form of management. So in the perfect free society, those people who associate in some political formation choose a management group which is then given powers to exercise controls.

That in fact is what we have in Canada. We understand it to have been established on some kind of democratic principles. In order that the management group does not have unlimited power, we introduce a document called a constitution. The constitution sets out the powers that management group will have, and it is a very vital part of our system.

Now, the democratic theory has been described in various ways. One is: the system whereby 50 per cent plus one can impose their will on the total population. One of the difficulties with that system is that it doesn't really address the difficulty faced by the 49 per cent whose will may not be expressed.

In Canada we have a popularly elected House of Commons, in the sense that the members are elected on the principle of representation by population. In the House of Representatives in the United States, we have the same situation. But in the United States, the individuals writing the constitution, the blueprint for that country's government, recognized that all the original 13 colonies were not the same size and that the United States as a country was going to be a federation of those colonies, to be known as states. As they weren't of the same size, it was essential that the little state of Rhode Island should be equally represented with larger states — and I now move to the more recent period since the development of the whole of the continental United States — such as Texas, California, or New York, with vastly more population. But this development of two houses was in recognition of the sovereignty of each of the states.

Canada has a similar situation, in the sense that Canada is a federation of provinces. The provinces we have are vastly different in population also. As much as little Rhode Island should be equally represented in the U.S. Senate, I will submit that little Prince Edward Island should be equally represented in a Canadian Senate, in the sense that the people of [Prince Edward] Island should have an equal say with other provinces of Canada in the affairs of this country.

So I suggest that any reform of the Senate should be one in which equal representation of each of the provinces is adopted without question. If we adopt any other kind of representation in the Senate, we will be back in the situation we face today, in which two provinces may dominate the rest of the country.

The other aspect of Senate reform that I should address is one that has been much commented on in the press and elsewhere. That is the question of whether Senators should be elected or appointed. I'm not proposing for one minute to address all the arguments that may be raised on either side. I would like to just make a few comments.

We have a House of Commons composed of representatives of the population of Canada on essentially an equal basis — representation by population, the clarion cry of the democratic theorists of government by the majority. Given that the House of Commons represents the people of Canada on an equal basis, and given that the Senate is actually the group representing the interests of the regions or provinces forming this federation, it is not necessarily appropriate that the Senators should also be elected.

One of the questions that must be addressed is, how many senators should there be? Another question is, how often or what degree of continuity do we wish to introduce? Should they all be appointed or elected at the same time? Or should we adopt a system such as they have in the United States, where a proportion of the Senate is elected every two years — being one third every two years — so that at no time could there be a complete change of the Senate, which of course lends itself to continuity of policy and thought in that body. I suggest we adopt the latter and have a proportion of the Senate appointed periodically so there isn't a complete change possible at any one time.

In the case of an individual province, it would be possible to appoint six senators — and I use that number solely as an example — for a term of six years, two appointed every two years. In that way, if there were a change in the government of a given province and the elected government represented a political philosophy different from the previous government, it is conceivable that that new government could appoint four new senators during the first term of office to reflect that change in the political view.

I think the experience in B.C. is a good example, where the province has gone from a Social Credit government to an NDP government and, after one term, back to a Social Credit government. Appointment by the provincial Legislature to a Senate would have afforded the people of B.C. to be represented by, first of all, Social Credit appointees, but during the NDP term of office, four NDP-appointed senators, then afterwards reverting to reflect the change that occurred in the political philosophy of the people of B.C.

I suggest appointment of senators partly because the Senate is supposed to be a House of sober second thought. While 50 or 60 years ago, the election of any individual was usually based on an assessment of that individual's views that were available in some written form to the electors, today we have moved to the age of electronic media, high-powered advertising, the expenditure of virtually millions of dollars on election campaigns to purchase advertising time and the skills of people in the business of promoting products and ideas. I suggest that in all the hoopla and advertising hype of an election, people are often easily misled on the basis of how much money a candidate is prepared to spend.

By contrast, the elected government of a province — and I use Alberta since that is one I'm familiar with, but I believe it would apply to any elected government of any province in Canada — has the opportunity to assess the capabilities, qualities, and political philosophies of individuals. It has the capability of determining who might best represent the interests of the province and, in particular, the interests of the elected representatives who form that government. Perhaps in the case of a House of sober second thought, the appointment of senators by the provincial Legislature is to be desired over the electoral process, which is our method of appointing members to the House of Commons.

I just throw those thoughts out, Mr. Chairman, as this is a subject of interest to me. I throw them out as a means of encouraging some debate, which I believe very seriously should go on throughout this country as we deal with this question. It certainly is important that all the people of Canada have an opportunity to participate in that debate, and that it not be something decided on the basis of what elected members choose as opposed to the balance of the population. In other words, I do not believe

this decision should be made by governments. It should be made by the people after a thorough, ongoing debate.

MR. ALEXANDER: Mr. Chairman, just a few comments on the matters raised by the minister, if I may. There hasn't been much said so far about the Macdonald commission, which I wanted to comment upon mainly, but I've been invited to comment on a couple of other matters.

I would like to throw in one thought about the matter of property rights. While I don't have anything to do with the separatist element of it, I think that's irrelevant. The point made by some people is that the Supreme Court has maintained the absolute right of the federal government to tax. Since the deprivation of property in western civilizations in recent decades has been via the taxation route, it does represent a real threat. It strikes me that the possibility of ignoring it is one we really shouldn't take. While I fully endorse the idea that provincial jurisdiction over property rights ought to be maintained, it strikes me that it wouldn't be harmful altogether to maintain it in conjunction with a federal commitment of a similar type.

For those who may not remember, the federal tax department had in fact prepared a plan, which I believe it sent to the minister about three or four years ago, to tax housing and real estate in one of the recent budgets. The proposal was felt to be altogether too controversial for the country to swallow. So while it was barely flown out there as a trial balloon, the fact that it was raised at all was a very frightening prospect to me. So I suggest that those who are sanguine about the province's jurisdiction over property rights might want to have another look at some of the elements that sometimes are suggested from federal departments.

The idea of property rights in a socialist, liberal complex such as the bureaucracy in Ottawa is anything but sacred. Quite frankly, I think there is a risk from that, particularly given, as my lawyer friends have informed me, the rather incredible and stringent view taken of that by the Supreme Court justice in the Smith Coulee case — which he lost, I gather — where the primacy of provincial jurisdiction was upheld over gas exports. The justice was very emphatic in his idea that the federal government did in fact have the absolute power to tax. Personally, I found it distasteful and somewhat frightening that in a democracy anyone can declare that there are such things as absolute powers.

So I suggest to the minister, as I have previously, that while there may be some strategic and important reasons for maintaining provincial jurisdiction over property rights — by all means that should be done — anything that can be done as a concomitant measure to in some way get the federal government to commit itself to the sanctity and enjoyment of property rights would be a plus.

We have been invited to take a stand on the matter of the cruise missile. While I haven't been particularly vocal about it, I respect the difference in jurisdictions, as others members have done. But if I were an MP, which I am not, I would maintain the position so far maintained, that we ought to participate in the world. The world happens to consist of such things as Norad and NATO and defence mechanisms. Quite frankly, I don't see any alternative to maintaining some kind of approximate balance of power. If that happens to consist of such things as cruise missiles, however regrettable that might be — and I'm one of those who finds that terribly regrettable — it may also be necessary.

I suggest that the peace proponents might direct their attention to the major source of the threat. While they are free to march up and down the streets in North America, one suspects they're not quite so free to do so where the threat really emerges from. That may well include all of those mentioned, including the members of the opposition, who are now missing, and other MPs who suggest that we should not participate in the world as it is.

Moral leadership was mentioned. I'd like to touch briefly on moral leadership, because people are very fond of invoking morality wherever it's convenient or wherever it happens to support one of their causes. For those of us who follow such things, it's notable that Socialist International just finished one of its annual meetings. Of course the national leader of the New Democratic Party is the vice-president of Socialist International. I noticed on television last night that he came home raging that the federal government's budget should be defeated. A non-confidence motion was introduced. Why? Because it has failed to introduce a centralized industrial strategy.

I would question — and perhaps the minister already knows this, Mr. Chairman — whether the matter of the cruise missile and defence was on the agenda of Socialist International, and would moral leadership in this area consist of socialists all over the world, whether they be in Canada or Alberta, making representations with the leader of the Union of Soviet Socialist Republics, which constitutes the main threat. Thus while it is quite simple to point one's finger at others and invoke morality, where influence exists perhaps there is a greater latitude for the exercise of the morality mentioned.

I want to talk a bit about another threat, the threat of the Macdonald commission. I am very glad that the minister is highly aware, and I commend him on his awareness, of the possibilities of this commission. There was a great keffuffle in the general public when Mr. Macdonald was appointed chairman of the commission, with a stipend of \$800 a day. There was a lot said about that in times of restraint. Well quite frankly, I'd like to pay him \$800 a day to stay home.

I love the comment by a Canadian economist [Wendy] Dobson, who talked about the matter of industrial strategy. She, as many other economists, said:

I don't even know what an industrial policy is anymore. [If] the National Energy Program was a major industrial policy ...

then, heaven forbid. Mr. Chairman, I am reading her remarks. Her comment was:

For God's sake, for once *don't* do something, and just stand there for a while. Just try and sort out the conflicting signals. Get your framework right.

In my view, that's an excellent suggestion. However, it is not the plan of the Macdonald commission. Mr. Macdonald, when he assumed this role, gave us the benefit of some of his views. He said:

"There is a sense of intellectual stalemate in the economy in the 1980s ... And I think it's general to the world, and not just to Canada. One has the impression, talking to the economists, that they're back in the 1930s waiting for the next general theory of economics to appear." Until it does, Canadians can look forward to unprecedented turbulence as capitalism undergoes one of its rare but vital transformations, from a free market economy to a more centrally planned one.

What a tremendous prospect. However, it appears that it may be a reality unless we take some specific moves to oppose it.

The principles on which the Macdonald commission is to undertake its investigation are, in my view, fraught with difficulties. The committee is advised that in pursuing its inquiry, it is to follow the following principles:

the Canadian economy is founded on the enterprise and productivity of individual Canadians supported by a unique mixture of public and private sector activity that reflects the traditional values of Canadian society;

It occurs to me, Mr. Chairman, that someday Canadians are going to wake up and figure out for themselves that this combination of public and private-sector activity, this mixed economy, this high degree of government intervention, in which an overburdened economic sector is expected to carry the overblown social programs of governments, is a failure, and we cannot continue celebrating it, pretending it is our way of life, if we expect to maintain our freedom and economic viability. We're heading on a collision course, and it's about time we woke up.

It also says:

Canadian economic policy must be assessed in the context of its relationships to Canadian political and economic independence and to the broader aspirations of Canadians as must be reflected in the responsibilities of governments;

I suspect that "the broader aspirations of Canadians" are for something more than bankruptcy.

the Government of Canada has the primary responsibility for managing the national economy, for encouraging reasonably balanced economic growth among the ... regions ... and for ensuring that fiscal disparities among provinces are reduced ...

I suppose the National Energy Program could be used as an example of all those kinds of things. One wonders about the balance of fiscal disparities. It seems it's okay to redress the imbalance as long as the imbalance isn't on the high side for Quebec and Ontario. The imbalances from Alberta can be redressed and flown back towards central Canada, and that's okay. One doesn't need to limit one's comments to the National Energy Program, but it's such a perfect example of these principles in effect that I intend to use it.

It says:

the report should take account of, and respect, the spirit of the Constitution of Canada and assume a continuing Canadian federal structure not significantly different from its present form.

Mr. Chairman, we have heard previous speakers, and I won't belabor it any further, talk about the urgent necessity of reforming the way Canada operates at the present moment, where the benefits flow from one part of the country to the other.

It says here that "Most Canadians do not question government involvement in the economy". Their concern is with efficiency rather than the degree of government intervention. "Canadians ... do not start from the same point of visceral respect for a free enterprise system" that Americans do.

There are many forms of government intervention, ranging from exhortation, direct subsidization and protection of business to competition policy, regulation and public ownership. . . . forms of government intervention and the instruments employed are more varied, integrated and complex, as witness the introduction of the national energy program ...

Well, Americans or free enterprise economies wouldn't put up with a national energy program. Unfortunately

we've had to do so. Fortunately, on the other hand, even the perpetrators of that policy have begun to recognize the total disaster it was. Central planning — that is its perfect example. In my view, it must always fail simply because the planners cannot and do not know what they're planning.

Ottawa is probably the best example of all worldwide laboratory examples of failed socialism. Quite frankly, people sitting in their ivory towers and planning what those in the business community are supposed to do, without having any idea how the business community does what it does and must do what it does, simply cannot work.

The American writer Jude Winisky has done a study of 33 economies since 1849, when the Marxist idea was introduced, who have tried to pursue the economic model of socialism and central planning. In each case the model has failed and is now being supported in one degree or another by what remains of the capitalist economies of the world. You all know, as I know, where foreign aid flows from and to. We all know where the help is going and who it's coming from. It seems to me a time is coming upon us when we have to learn the lessons of history lest we be doomed to repeat their mistakes.

Mr. Chairman, I don't want to go on. I think the point is well made among members of the caucus — thank heavens. I only want to say that I look forward to participating with the minister in any responses this government makes to the Macdonald commission, particularly to its principles. Frankly, if Alberta does not take the leadership, which has been mentioned here several times, to preserve the battered remains of the private sector, nobody is going to. The private sector must remain viable and strong if it's going to support the social safety net. If we don't take the lead in doing that, in my view nobody is going to. Thus I commend the minister on his awareness of the threats of the Macdonald commission. I trust that we will have an opportunity to respond to it and, Mr. Minister, I look forward to being part of that response.

Thank you.

MR. OMAN: Mr. Chairman, just a few comments with regard to the comments by the members of the opposition on such things as nuclear disarmament and the cruise missile. I think all of us share the concerns of the present arms race. To use the current term, we're all aware of the holocaust that could be unleashed because of the dangers involved. But it's very clear to me, if you look at the situation, that if the Member for Edmonton Norwood is sincere, the course he is pursuing likely will determine results exactly opposite to those he professes to want. It's extremely clear in my mind, or to those who look at the situation, that over the last three decades we've had relative peace simply because the west was sufficiently strong that nobody dared threaten or take overt action. I don't think there's any question about that.

Admittedly the danger of war is there. Let me illustrate that by a kind of childish illustration. I recall when I first started school in a little old gray school in Clanwilliam, Manitoba. It's got to be at least five or six years ago now. Obviously I was green as grass, and I went that first day with a great deal of awe. I can remember the special sailor suit I had on, and everything else. But the day was spoiled rather quickly when one of the bullies in grade 3, who took delight in scaring the new guys in the school, attacked me. He could do it very easily because he was so much bigger than I was. I soon found that my nice new suit was all muddled. A little blood was flowing and so

on, as well as hurt feelings. But I had a brother five years older than I who also went to that school. They called him Big Johnny and me Little Johnny. When Ken heard about that and came over and discovered what had happened, together we taught that fellow a lesson he never forgot. Never again was I bothered by that grade 3 bully, because he knew that my brother and I stood together. If he did attack either my brother or me, he knew what was in store.

It's extremely important. We don't live in a world where the Old Testament prophet says the lion and the lamb shall lie down together in peace. We live in a world where, as Krushchev said a decade or more ago, we're out to bury you, purely and simply. That philosophy has never changed.

It seems to me that while there are people who are well meaning, such as the member opposite, there is a naivete here which is self-destructive. You know, "consistency thou art a jewel" is an old saying. I recall that he said we don't believe in unilateral disarmament. Yet he's calling for the end to any cruise missile testing in Alberta, without a similar call for any cruise missile testing or other testing in Russia. In other words he's saying, let's do it without an agreement. [interjections] Indeed, that's exactly what he said. Let's quit it here, but forget about what they're doing there. How naive ... [interjections] That's exactly what the man said. He said, let's not do it here. There's no question about that whatsoever. Let the record be read, Mr. Chairman, and read again.

Mr. Chairman, I don't know whether the member opposite has ideological and philosophical sympathy with the Soviet bloc, or whether he is simply naive. [interjections] I simply know that over in the Kremlin some people are very, very happy to hear the kind of statement he's been making today.

That's not to say, Mr. Chairman, that the United States, our neighbor to the south, is always right. But let me say that I am happy that Canada has its border much closer to there than it does to the Soviet Union. Let me further say that that nation is spending millions of dollars on high technology to provide an umbrella protection over our country, and we're benefitting. I'm not here to bash any particular nation, but I am glad we're on the side of the United States, which generally has been a very good and benevolent neighbor to us.

We're in a struggle, Mr. Chairman. I think we ought to remember that. It's a struggle to the death. If we come to the place where we have no strength, no threat for battle, there comes a time when negotiations are taking place — and I hope we get to the place where negotiations will take place, where we can have arms reduction. But if one side has all the aces, the other side is going to be beaten in that kind of negotiation. So I have no sympathy for that kind of movement, and I don't mind standing here and saying so.

Thank you, Mr. Chairman.

MR. HORSMAN: Mr. Chairman, I move that the committee rise, report, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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, the Assembly will not sit again until next Thursday at eight o'clock. At that time I propose to deal with the estimates of the Department of the Attorney General in Committee of Supply. On that occasion, or potentially a little bit earlier in the week, by letting hon. members of the opposition know,

we'd give some indication as well for the business on Friday.

Mr. Speaker, I move the Assembly now adjourn until 8 p.m. next Thursday.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 1 p.m., the House adjourned to Thursday at 8 p.m.]