

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Thursday, October 27, 1983 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

**head: INTRODUCTION OF BILLS****Bill 89**

**Appropriation (Alberta Heritage  
Savings Trust Fund, Capital  
Projects Division) Act, 1984-85**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill No. 89, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1984-85. This being a money Bill, His Honour the Honourable the Lieutenant-Governor, having been informed of the contents of the Bill, recommends the same to the Assembly.

The purpose of this Bill is to implement the funding for the Heritage Savings Trust Fund capital projects for 1984-85, all of which were recently approved by the Committee of Supply of this House.

[Leave granted; Bill 89 read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. HORSMAN: Mr. Speaker, I have the honor today to file with the Assembly the Alberta government paper entitled Alberta in Canada: Strength in Diversity. It is accompanied by a summary of the discussion paper. I advise members of the Assembly that this document is now being made available to other governments in Canada and to the royal commission on Canada's economic future, which will be holding its hearings in Alberta shortly, in November.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. ADAIR: Mr. Speaker, it gives me great pleasure to introduce to you, and through you to Members of the Legislative Assembly, winners of the first national culinary salon competitions of the Canadian Federation of Chefs de Cuisine, held in Montreal on October 13 and 14, 1983.

Last March, culinary salon competitions were held in Edmonton and Calgary. Based on merit points received, a culinary team from Edmonton and Calgary was formed. Mr. Speaker, I am pleased to announce that both the Edmonton and Calgary teams were awarded gold medals at the Montreal competition. In addition, the junior culinary team, comprised of two culinary apprentices from NAIT and two from SAIT, was awarded a silver medal for its endeavors. Regrettably, the members of the junior team were not able to be with us today.

Mr. Speaker, I would ask that the winners of the gold medals stand as I introduce them. From Edmonton: Maurice O'Flynn, Alberta Culinary Arts Foundation; Ernst Dorfier, of Walden's;

Elmer Prambs, of the Four Seasons; Simon Smotkowicz, of the Nisku Inn; Reggie Sim, of the Edmonton Inn; and Marvin Karenko, Edmonton chef de cuisine. From Calgary: Paul Mastallir, from SAIT; Ian Neilson, from SAIT; Volker Jendhoff, of the Calgary Tower; Manfred Ochs, of The 400 Club; Dario Oteruello, of CP Hotels. In addition, they are accompanied today by the president of the Alberta Restaurant & Foodservice Association, Mr. Hans Kuhnel, and the association's executive director, Elizabeth Baker.

I would now ask you, Mr. Speaker, and all my colleagues to join me in first offering our congratulations to them, and then issuing a warm welcome to this Legislature. Alberta is proud of you.

MRS. LeMESSURIER: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of this Assembly, 33 students from the Alberta Vocational Centre in the constituency of Edmonton Centre. They are learning English as a second language and current affairs. They are accompanied today by two of their teachers, Terese Szlamp-Fryga and Ann Nikolai. They are in the members gallery. I would ask that they rise and receive the warm welcome of this Assembly.

MR. FJORDBOTTEN: Mr. Speaker, it's not very often that I have the opportunity to introduce to the Assembly someone from my constituency. I didn't realize how meaningful it would be, considering the chefs that are in your gallery today and that we paid a special honor to them.

In the members gallery is a lady from Claresholm named Jean Hoare. She had a restaurant, the famous Flying N Inn Restaurant, which was picked as one of Canada's 10 best restaurants and in 1973-74 was picked by the restaurant guide as a place to eat in Canada. She is here promoting her new cookbook, and I know it will be great. She is in the members gallery with Nancy Miller. Nancy encouraged her to write the book. I ask them to both stand and receive the welcome of the Assembly.

MR. DIACHUK: Mr. Speaker, on behalf of my own MLA, the MLA for Edmonton Gold Bar, who is absent, I want to take this opportunity to introduce a class of 20 grade 6 students from the St. Gabriel school. This school is indeed a particular favorite of my family, because all six of our children went through this school as students. But there are no Diachuks in this group, I want to introduce with them their teacher, Mr. Robert Motut, and a parent, Mrs. Angela Morrison. They are seated in the public gallery. I would ask them to rise and receive the usual welcome of this Assembly.

**head: MINISTERIAL STATEMENTS****Department of Hospitals and Medical Care**

MR. RUSSELL: Mr. Speaker, this is a statement about the hospital user fee program. I would like to report to members that the hospital user fee program is ready for implementation on January 1, 1984. Matters of policy, finances, and legislation have been reviewed and adjustments made in some areas.

Members will recall that the program, as originally announced, had three objectives: number one, to help make Albertans more aware and knowledgeable about hospital costs; number two, to encourage hospital administrators and boards to more carefully do their budgeting; and number three, to provide some discretionary revenue for the sole use of hospital boards.

Mr. Speaker, I believe excellent progress has been achieved with the first two objectives. Albertans certainly are discussing health care costs, and with more knowledge than before. I also believe that the boards and their staffs have worked extremely hard to make their budgets work. We shall know at a later date how many of them decide to use the discretionary extra revenues possible through the user fee program.

Some important financial adjustments have been made. A recent special warrant in excess of \$25 million is now being distributed throughout the system to pay the final extra costs of recent arbitration awards. Additionally, over another \$24 million is being distributed to some of the hospitals, in response to their budget appeals. This amount means that the total comparable operating dollars for the Alberta hospital system for the current fiscal year is \$1,373 billion, an increase of 14.2 per cent over last fiscal year.

Two program changes have been made recently. The admission fee and the preferred accommodation fee were removed from the hospital user fee program and, since September 1, have been applied at double their previous rates. Also, the exemptions will now be broadened to include all senior citizens, regardless of income. This is consistent with other health care programs for senior Albertans.

I will shortly be introducing legislation in the Assembly which will give blanket authority to all hospital boards to proceed with the program. Originally it had been the intention to grant such authority by order in council, on an individual hospital basis.

Mr. Speaker, with the changes I have mentioned and the additional funding now being distributed, I believe that Alberta hospital boards can now consider the option of the hospital user fee program with confidence and understanding.

MR. NOTLEY: Mr. Speaker, in rising to respond to the ministerial statement this afternoon, I think one of the most questionable statements we've heard is the last couple of lines: "I believe that Alberta hospital boards can now consider the option of the hospital user fee program with confidence and understanding." Mr. Speaker, there may be confidence on the part of the members of the government caucus, but I'm sure there is not confidence in the minds of Albertans on this issue. Nor can there be confidence in the minds of any reasonable Canadian, given the fact that there is very real doubt as to whether or not this program is consistent with the objectives of the health system that has been developed in this country over the last decade and a half.

Mr. Speaker, it is certainly not news to members of this Assembly that my colleague and I in the Official Opposition strongly oppose the introduction of user fees. I think it is unfortunate indeed that we have a government which is bringing in user fees when it has shown so little in the way of performance, in terms of looking at changes that will alleviate costs in the system. We have the utilization committee report, the major recommendations of which still remain untackled by this government. We have the report dealing with the hospital system that my colleague raised in the question period the other day, which the minister had not even got around to reading yet, notwithstanding the fact that it would save some millions of dollars.

The fact of the matter is that apart from this assault on the sick. Mr. Speaker, this government has done precious little to show any leadership at all in bringing the costs of the health system under control. I would simply make it clear that there has been absolutely nothing, since the announcement in the House in the late stages of the budget debate in the spring session, to change the minds of either my colleague or me —

nor, I suspect, the vast majority of Albertans — that the hospital user fee system is wrong in principle. As far as we're concerned, we'll continue to oppose it.

MR. SPEAKER: Before I call the Oral Question Period, might the hon. Member for Edmonton Glengarry revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

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

MR. COOK: Mr. Speaker, I wonder if I could introduce to you, and through you to members of the Assembly, 35 students from the Lauderdale elementary school. They are in the public gallery, and they're accompanied by their teacher Doug Scott. I would ask them now to rise and receive the very warm welcome of the Assembly.

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

##### **Child Care Report**

MR. NOTLEY: Mr. Speaker, I'd like to direct the first question to the hon. Minister of Social Services and Community Health. It's with respect to page 9 of the Cavanagh report. Could the minister advise the Assembly when he learned that there was in existence in the department a second submission, which had not been presented to the Cavanagh Board of Review?

DR. WEBBER: When I read the report, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the minister identify the time frame in which he read the report?

DR. WEBBER: Mr. Speaker, the report was delivered to me last Friday, and I had the opportunity to read it over the weekend. As hon. members know, we filed the copies of the report in the House yesterday.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister telling us that the information the new minister released in January 1983 — that when he released it he was not aware it had been compiled in 1981?

DR. WEBBER: Mr. Speaker, the information I have is what was in the particular report. I might indicate to the hon. member that during the time period the Cavanagh Board of Review refers to, having asked for the report and having released it in January, the asking was to departmental officials who were handling the information that was going to the Cavanagh Board of Review. I had indicated to the officials in the department that if any information they had would be of use to the Cavanagh Board of Review, information that the board of review was asking for, they should have that information.

MR. NOTLEY: A supplementary question. In view of the fact that the minister's predecessor is noted in this report ...

MR. SPEAKER: Order please. Let's come to the question.

MR. NOTLEY: Mr. Speaker, I had to put that to properly give the minister some background for my question. I want to be

absolutely clear. Is the minister saying that it was not until Friday of last week that the now Minister of Social Services and Community Health knew that an important document had been withheld from the Cavanagh Board of Review and that the former minister had taken "responsibility for withholding the same" — I quote directly from the report.

DR. WEBBER: Mr. Speaker, as I indicated in my earlier comments on my attention being drawn to the particular report, it was drawn to my attention when I read page 9 of the report last Friday.

MR. NOTLEY: Mr. Speaker, a supplementary question. Subsequent to learning this information, what discussions has the minister held with departmental officials about the way in which information of this kind is transmitted to the minister?

DR. WEBBER: Mr. Speaker, in terms of the process that took place last January, I indicated to the officials in the department that if there was information the Cavanagh Board of Review had asked for or that would be available to them, that information should be made available if the board wanted it.

I might point out that the Cavanagh Board of Review asked for this information in January of this year, and it was released to them approximately 10 days later. I emphasize again that information was asked of the officials in the department. The officials in the department were co-ordinating the collection of this information and sending that information to Cavanagh, and they did it appropriately, in my view.

MR. NOTLEY: Mr. Speaker, a supplementary question. The Premier indicated that this information was brought to his attention on Friday of last week. Did the minister immediately bring to the Premier's attention that an important document had apparently been withheld from the Cavanagh Board of Review?

DR. WEBBER: Mr. Speaker, I indicated that the document was brought to my attention last Friday. The handling of the information was appropriate, in terms of the officials in the department co-ordinating it and sending it to the Cavanagh Board of Review, and I was satisfied with the way it had been handled.

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

MR. SPEAKER: Might this be the last supplementary on this topic.

MR. NOTLEY: Did the minister immediately bring this information to the attention of the head of government?

DR. WEBBER: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, we'll come back in other questions, because the next question is, why not? But we'll have all kinds of opportunities to come back over the next few days.

#### **Pacific Western Airlines**

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Minister of Transportation. In his discussions with the chairman of the board of PWA, can the minister advise the Assembly whether PWA in fact now has stock interest in America West Airlines of Phoenix, Arizona?

MR. M. MOORE: Mr. Speaker, I'd be pleased to take that question under advisement. However, at this time I can advise

the hon. member and other members of the House that Pacific Western Airlines does have lease arrangements with other carriers, with respect to aircraft that were surplus to their needs to fly their regular scheduled routes in western Canada and their charter routes around the world. One of those agreements is in fact with the company that was mentioned by the hon. member. It's been a very beneficial agreement to Pacific Western, in terms of utilization of surplus aircraft, and puts them in a position of having all their aircraft earning money as opposed to some company like Air Canada, which I understand has more than 20 sitting in storage.

MR. NOTLEY: Mr. Speaker, a supplementary question. During the minister's discussions with officials of PWA, what evaluation has PWA given to concerns of the pilots, who have asserted that PWA has turned down several lucrative charter and freight contracts due to the leasing out of equipment?

MR. M. MOORE: Mr. Speaker, we have always taken the position that Pacific Western Airlines should be operated in a hands-off manner, in terms of the actual day-to-day, week-to-week operation of the company. I have had no discussions with officials of PWA regarding the matter raised by the hon. member, nor do I intend to.

MR. NOTLEY: Mr. Speaker, a supplementary question. Has the minister or any official of the government received representation regarding the large, and possibly hazardous, amounts of overtime worked by PWA crews?

MR. M. MOORE: Mr. Speaker, I have not, to my recollection at least, received any recommendations or complaints from PWA staff in that regard. If I were to receive such complaints, I would refer them to the chairman of the board of PWA.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. Has there been any discussion with officials of PWA regarding the layoff of some 51 pilots in the last year and a half?

MR. M. MOORE: Again, Mr. Speaker, the manner in which Pacific Western Airlines operates is with respect to a decision by management on matters such as the one the hon. member raises. I am of course aware, as is anyone who cares to read their annual report and other information that's made public from time to time, of the actions that have been taken by the management of Pacific Western Airlines to ensure that that company has in fact been able to operate at a profit, while many others in the same business have lost enormous amounts of money. That obviously does include some tough, hard decisions with respect to staffing.

MR. NOTLEY: Mr. Speaker, a supplementary question. The minister has indicated that he leaves the day-to-day operations up to the board. However, what discussions has the minister had with officials of PWA concerning our ownership position? As owners of an aircraft firm being concerned about the safety standards, what discussion has the minister had with officials of PWA concerning the assertions of the pilots that there is in fact some potential hazard because of undue overtime and the layoff of pilots? I ask that not in a detailed way but to assess this government's commitment to safety.

MR. M. MOORE: First of all, Mr. Speaker, the matter of safety with respect to the air transport industry is governed by federal legislation, and I am perfectly confident that the man-

agement and board of directors of PWA will follow those rules in every way. Secondly, I add again that the matter of whether or not there is a problem in that area has not been drawn to my attention. If it were, and if the hon. member has some information that may be of use to me in that regard, I would be pleased to pass it on to the management and the board of directors of the company.

MR. SPEAKER: Might this be the final supplementary.

MR. NOTLEY: Mr. Speaker, could the minister advise the Assembly — he's indicated in his discussions with PWA officials that there has been a leasing arrangement and that one of the leasing arrangements is with America West Airlines, for seven Boeing 737 aircraft. My question, however, is: during those discussions, was any evaluation given of the income one gets from leasing aircraft as opposed to the income one could get from undertaking some of the charter contracts, which the pilots say the company has had to turn down?

MR. M. MOORE: The hon. member has a lot of trouble understanding my previous answers. They are simply this: I was advised by PWA of leasing arrangements and other matters the company has undertaken to ensure that they operate at a profitable level, but did in no way get into discussions regarding the alternatives that might be open to the company. That's a corporate decision that company made, and I don't intend to question it.

#### French Language Education

MR. R. SPEAKER: Mr. Speaker, my question is to the Attorney General: I understand three Alberta families are seeking from the Court of Queen's Bench a declaration of their French language education rights under the Canadian Charter of Rights and Freedoms. I'd like to ask the Attorney General to clarify that particular issue in contention. What actions are being contemplated, in terms of the Attorney General's responsibility in that matter?

MR. CRAWFORD: Mr. Speaker, a proceeding has recently been commenced, raising issues of the Canadian Charter of Rights, the Alberta Bill of Rights, and the School Act. What is claimed by the parties making the claim in the Court of Queen's Bench is a declaration in respect of the entitlement to have instruction in the French language in Alberta, on grounds that there are sufficient numbers of people in Alberta whose language of origin, one might say — the first language they spoke in their lifetime — was in fact the French language. That's a matter for interpretation. There are a number of other things claimed in the claim that has been issued, including the power to establish school jurisdictions, collect taxes, and elect trustees.

The answer to what the government's position is in respect of it is of course that the statement of claim will be evaluated and, at an appropriate time, defended.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Education, with regard to the hearing that is in process. Is it the intention of the Minister of Education to review the Alberta government's position with regard to French language education rights and freedoms at the present time, and to review it in terms of the Canadian Charter of Rights? Is that process in effect at the present time?

MR. KING: Mr. Speaker, such review is under way at the present time. It precedes receipt of the statement of claim and

is a common feature of activity in the department. We are always reviewing our activities and our policies.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Will the Minister of Education be making a statement in the Legislature with regard to that matter, possibly in this fall session? Or would a possible formal statement be made in the spring session of 1984?

MR. KING: Mr. Speaker, to some extent, that will obviously depend upon proceedings before the courts. I don't wish to make public comment about matters which are sub judice.

MR. R. SPEAKER: Mr. Speaker, a final supplementary. Could the minister indicate whether there will be a revision of the present government's policy? Or is the policy that has been enunciated by the minister and other members of cabinet the Alberta policy and the policy that will stay fixed at the present time, or in the upcoming year of 1984?

MR. KING: Mr. Speaker, since the Premier participated in an accord at St. Andrew's, New Brunswick, in 1978, the policy of the government has been that this government would provide French language education to any student, whether Francophone or Anglophone, where numbers warrant, and always remembering that it would be at the option of the parent and the child. That is the policy. Program activity in the province demonstrates that we have been very, very successful in pursuing that policy. It will be impossible for me to speculate on whether or not the policy should be changed; whether or not there would be an advantage in changing that policy.

#### Construction Labor Relations

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Labour. Has the minister developed draft legislation regarding change to the statutes governing the construction industry? If so, have these proposals been discussed with the Construction Labour Relations Association?

MR. YOUNG: Mr. Speaker, the answer to the hon. Member for Edmonton Norwood is no, there is no draft legislation in existence. Secondly, I indicated to a wide variety of persons in the construction industry, as of roughly three and a half weeks ago, that the government was actively reviewing legislation in the construction industry labor relations area, that no decisions had been made, that no decision had been made to make a change, and that we were looking at a variety of changes as possibilities and weighing any of those alternatives against the alternative of not making any change.

MR. MARTIN: A supplementary question, Mr. Speaker. Has the government proposed a possible change to section 133 of the Labour Relations Act, which limits creation of non-unionized spinoff companies?

MR. YOUNG: Mr. Speaker, back to the response I just gave, wherein I indicated that a variety of different proposals were in the discussion situation. That continues, and those discussions have been held with contractors, with representatives of unions, with representative construction owners: a wide variety of people.

MR. MARTIN: A supplementary question, in view of the fact that we're told it's been discussed in caucus. What study has the minister undertaken to determine the effect of such amend-

ments on the unionized sector? It's clear the minister has discussed it. Have they studied it to see what would happen to the union movement?

MR. YOUNG: Mr. Speaker, a part of the views on any proposal is one of perception of various parties. There is quite a range of judgments as to what might be the effect, given that one is dealing with social institutions and it's difficult to anticipate how people would react under different sets of circumstances. All of those have been evaluated or are being evaluated. As I indicated, I have had discussions directly with affected parties, to try to be sure that all facets have been considered.

MR. MARTIN: A supplementary question, Mr. Speaker. Has the minister received representation indicating that elimination of protection against non-union spinoffs might severely cripple or destroy Alberta's construction unions? Has that specific recommendation been made?

MR. YOUNG: That recommendation has been made, not in writing to me, but certainly a view to the effect that it would be a major concern has been expressed in discussions. But at the same time, Mr. Speaker, I would point out that it's generally acknowledged that there are very significant problems for the unionized sector in the construction industry at the present time. The unionized sector contains both contractors who are unionized and unions. Both of those groups are having problems now, as the hon. member would surely know. There are many union members, or former union members, who are now working in the non-union sector. So it is a problem for the unions and also for the unionized contractors in the current situation.

MR. MARTIN: A supplementary question.

MR. SPEAKER: Might this be the final supplementary on this.

MR. MARTIN: The minister is saying that a decision has not been made at this time. Could the minister indicate when a decision will be made?

MR. YOUNG: Mr. Speaker, I would like to say that I could be absolutely certain when a decision would be made. This is a complex and difficult matter. It is of concern to employees, to contractors, to unions, and to the institutions which group the contractors and which group the unions. I cannot indicate for certain today when such a decision would be taken as to whether or not any change would be made and, if so, what the change would be.

#### **Child Welfare Commission**

MRS. EMBURY: Mr. Speaker, my question is to the Minister of Social Services and Community Health. If a decision by the department's Child Welfare Commission ruled against a foster parent in a recent case, does this mean the foster parent has no further recourse?

MR. SPEAKER: I have a little difficulty with this question. It first started out sounding pretty hypothetical. Then, as far as recourse is concerned, that's the sort of thing you usually ask your solicitor about.

MRS. EMBURY: Thank you, Mr. Speaker. Under the present Child Welfare Act, is there any provision that following a hearing with the commission, a parent may make a presentation to the minister?

DR. WEBBER: Mr. Speaker, in terms of the Child Welfare Act, there is always appeal to the minister after the Child Welfare Commission makes a decision.

MRS. EMBURY: A supplementary, Mr. Speaker. If the policy of the department is to find homes that will adopt children that are under foster care, how does the department justify leaving a child in one home for 10 years and then removing the child to an adoptive home?

MR. SPEAKER: We're certainly getting into the area of debate. But the question having been put, the minister will undoubtedly want a chance to at least deal with it briefly.

DR. WEBBER: Mr. Speaker, I think we'd have to look at each individual case and investigate it to find out the reasons certain things happen.

However, I would like to add that in terms of the current system, the current legislation, and the role of the Child Welfare Commission, Justice Cavanagh and the members of his board addressed the role of the commission and indicated that they had concerns with the current structure, as do I. In terms of recommendations, I certainly agree with his recommendation that the Child Welfare Commission should be a body composed of citizens at large, and deal with appeal situations as opposed to the situation the member brought to my attention, whereby there would be appeal to the minister.

#### **Olympic Facilities Development**

MR. NELSON: Mr. Speaker, I have a question for the Minister of Tourism and Small Business. I would like to know what approval process has been in place for the development of Mount Allan for the alpine events of the 1988 Winter Olympics.

MR. ADAIR: Mr. Speaker, first I should state that the Olympic committee handles the approval process. But with the indulgence of the House, I would like to indicate the number of what are called technical approvals that have been made for that committee since the beginning of discussions, if I may.

The organizing committee for the 1988 Winter Olympics, referred to as OCO '88, Calgary, first received initial technical approval for Mount Allan through the FIS alpine president, Mr. Rato Melchor and Dr. Bud Little — that's the FIS alpine council — after their inspection of July 14 and 15, 1982; secondly, by telex of August 2, 1982, from Mr. Mark Hodler, president of the Fédération Internationale de Ski, the FIS — however, in that particular telex, Mr. Hodler expressed concern and lack of approval for the men's downhill at that time but approved all other events on a technical basis; thirdly, by letter from Mr. Lorne O'Connor, the FIS representative on the committee for alpine courses, followed by a visit to the site from August 2 to 19, 1982. Mr. O'Connor was accompanied by members of the technical assessment team, and they were: Mr. Bill Wearmouth, of the Canadian Ski Association, Alberta division; Rato Barrington, FIS and the Canadian Ski Association; Maurice Lehody, FIS technical delegate and CASA officials chairman; and Mark Sanderson, the field data co-ordinator.

Fourthly, technical approval was again received November 4, 1982, from Mr. Hubert Speiss, FIS chairman, committee for alpine courses, along with Ron Collie, vice-president of the organizing committee. Also on that particular visit were: George Kent, of the Canadian Ski Association; Brian Murphy, vice-president of the organizing committee; Rato Barrington, FIS securities commission; Bill Wearmouth, Canadian Ski

Association; and a photographer. They inspected all the events and venues and again gave technical approval.

Lastly, in September and October 1983, an inspection was requested by the OCO '88 committee from Calgary. That inspection involved Mr. Lehody, Mr. Bennett, Mr. O'Connor, Mr. Gottfried Mueller, Mr. Wearmouth, Mr. Kent, Mrs. Reid, and Colin Jeffares. Mr. Lehody's report stated that the giant slalom, the slalom for both the men and ladies, and the ladies' downhill are all acceptable, but the men's downhill requires more investigation re alternatives on Mount Allan. That process continues between the FIS, the International Olympic Committee, and the organizing committee in Calgary.

MR. NELSON: Mr. Speaker, a supplementary. I'm sure the answer given was fairly lengthy.

MR. SPEAKER: I had no way of knowing that.

MR. NELSON: Considering the legacy of the benefit being derived from the development of the ski facility, what consideration is there for the recreational user after the 1988 Olympics?

MR. ADAIR: Mr. Speaker, if we go back to the announcement made in Calgary in April 1983, at that time the government of Alberta approved the Mount Allan site, selected and approved by the Olympic committee. They approved it on November 9, 1982. In the period between November and April, we looked at Mount Allan as a site that could provide what we as a government wanted for a recreation ski opportunity — and maybe I should say a day-use recreation ski opportunity — and what the Olympics wanted for a ski hill that would host the alpine venues for the 1988 Olympics.

To respond further, after approving that site, in that it would meet the recreation requirements of a good day-use recreation ski area — and I should point out that that means it should have between 5 and 15 per cent senior runs, up to 70 per cent intermediate runs, and 5 to 15 per cent novice, and the Mount Allan site met all those standards — we then supported the decision already made by the Olympic committee in November 1982 to proceed with Mount Allan.

MR. SPEAKER: The hon. Member for Ponoka . . .

DR. BUCK: Mr. Speaker, a supplementary question to the minister. After all that, Mr. Speaker, may I or may I not ask a supplementary question?

MR. SPEAKER: [Inaudible]

DR. BUCK: Okay, fine. Mr. Speaker, my question to the minister . . . [interjections] Well, we're not playing games. The Speaker is the Speaker. He is to chair the House, not to make funny games.

Mr. Speaker, can the minister or the Premier indicate what mechanism is in place, or what government is putting in place, to monitor the costs of building facilities for the Olympics so that we don't have another Saddledome fiasco?

MR. ADAIR: Mr. Speaker, I'm not sure what the hon. member was referring to by the "Saddledome fiasco". But in relation to Mount Allan and my responsibility as Minister of Tourism and Small Business to assist in providing a day-use recreation ski area and to work closely with the Calgary organizing committee. OCO '88, who are working on the Olympic venue sites.

we have in place a committee that is monitoring that particular site on a day-to-day basis.

Beyond that, my colleague the Minister of Recreation and Parks may want to speak to other venues. But in the case of Mount Allan, we have a committee in place. I am personally working with that committee, and they are working with the Olympic organizing committee for the Olympic Games of 1988.

#### **Social Services Decentralization**

MR. JONSON: Mr. Speaker, I'd like to direct a question to the Minister of Social Services and Community Health. Is the minister prepared to put a hold on his department's process of decentralization, to allow time to study the important recommendation of the Cavanagh Board of Review regarding the role of child welfare in decentralization and the role of the director of child welfare?

DR. WEBBER: Mr. Speaker, the regionalization or decentralization process of the department began some three and a half years ago and is almost totally complete. At this point in time, it would be absurd to think about putting a hold on it, because it has in effect been completed.

That doesn't mean there aren't improvements that can be made to some aspects of the regionalization or decentralization process, however. The Cavanagh Board of Review addresses that particular issue, makes some comments relative to decision-making — possibly more decision-making at the regional level — and in terms of communication between the regions and central office and between regions. Certainly we will take those recommendations into account and consider them.

MR. JONSON: A supplementary question, Mr. Speaker. During this period of adjustment that I understand has been occurring, has the minister received any representation, criticism, or commendation, one way or another, on this process of decentralization?

DR. WEBBER: Mr. Speaker, since the regionalization and decentralization process is such an important part of the total character of the department, certainly comments and discussions have taken place between me and departmental officials from across the province, outlining to me some of the current problems and also some of the great improvements that have been made in terms of the decentralization process. Those discussions are ongoing and, as I mentioned, the Cavanagh Board of Review addresses some of the concerns. In an ongoing way, we will make improvements to the decentralization process.

MR. SPEAKER: Might this be the final supplementary on this.

MR. JONSON: One further supplementary, Mr. Speaker. To perhaps put my previous question in a different way, has the minister received any representation on this matter other than in consultation with his department officials?

DR. WEBBER: Mr. Speaker, I can think of a number of groups from different private-sector agencies and boards that I've had discussions with on a number of matters, including the question of regionalization and decentralization. So I've talked to a large number of groups.

MR. SPEAKER: The hon. Member for Drayton Valley. And the hon. Premier has indicated that he wishes to give some information that he previously indicated.

### Oil Pricing

MRS. CRIPPS: Mr. Speaker, my question is to the Minister of Energy and Natural Resources. This summer the ministers renegotiated the energy agreement. Can the minister give the Assembly any information on the amount of oil which has been reclassified and would therefore receive the new oil price under the new agreement?

DR. BUCK: Put it on the Order Paper.

MR. ZAOZIRNY: Mr. Speaker, very briefly, on June 30 an amending agreement with respect to the overall energy agreement of September 1, 1981, was signed. Of course, the most important aspects of that agreement included the no-rollback of old oil prices, which has a significant impact on our producers, and exploration and cash flow.

In respect of the specific inquiry made by the hon. member, the inclusion of the so-called special old oil now to market price increases to upwards of 35 per cent the proportion of Alberta's oil that is receiving the full market price. The balance of our oil, the so-called old oil, is receiving upwards of 85 per cent of market price at this time.

MRS. CRIPPS: Could the minister indicate what negotiation is taking place to totally remove the old oil/new oil price differential?

MR. ZAOZIRNY: Mr. Speaker, the argument in favor of market pricing was advanced very strenuously by this government during those negotiations. The federal government was prepared to make some changes to the system, as I responded in the earlier question. Nevertheless they were not prepared at that time to move to full market pricing.

It continues to be the view of this government that market pricing of our crude oil is an essential component of a sound energy policy for this country. Of course, we will continue to push for the removal of the front-end taxes, including the petroleum and gas revenue tax and the other front-end taxes on gross revenues that are imposed on our energy industry, which is unlike the taxation of any other industry in this country.

### Child Care Report (continued)

MR. LOUGHEED: Mr. Speaker, yesterday I was asked by the Member for Little Bow to review with the former minister of Social Services and Community Health the references made about the former minister on page 9 of the Cavanagh Board of Review. I had a discussion with the former minister. He provided me with the explanation. Having regard to the parliamentary system, I therefore make that report to the Legislature, as requested.

The explanation is this: the material in question was offered by the department officials; it was not requested in the initial instance by the commission or the board of review. It was the judgment call of the former minister that the material provided would be deemed inappropriate, in the judgment of the former minister, in that it could be misconstrued as guiding or directing or manipulating the board of review toward certain problem areas, either misconstrued by the board of review or by the public at large.

MR. SPEAKER: The hon. Minister of Transportation wishes to supplement some information previously asked for.

### Pacific Western Airlines (continued)

MR. M. MOORE: Mr. Speaker, earlier today the hon. Leader of the Opposition asked certain questions regarding Pacific Western Airlines' involvement with America West Airlines. I can provide this additional information that I've received. Pacific Western has an agreement to lease five Boeing 737 aircraft to America West Airlines, of Phoenix, Arizona. Included in that agreement is a full service and maintenance agreement, a training program for staff and pilots, and a parts service agreement. The total value of the agreement over five years is estimated between \$60 million and \$80 million. Also included in the agreement was the direct sale of spare engines and parts, for a total value of \$1.5 million. In that regard, Pacific Western Airlines took \$1.2 million of that amount in cash and accepted \$300,000 in shares of America West Airlines for the balance. At that time, April 5, 1983, the shares were trading at \$7.50. They're now in the range of \$13 per share. The total equity of America West Airlines is well over \$20 million, so PWA's involvement is a very minor portion of the total.

MR. SPEAKER: With some hesitation, I call on the hon. Minister of Tourism and Small Business to add to some information he gave previously.

### Olympic Facilities Development (continued)

MR. ADAIR: Mr. Speaker, I've received a copy of a telegram that was sent to the Olympic committee. I would like to read it into the record, and then file five copies of it, if I may.

MR. NOTLEY: Ministerial announcement.

MR. SPEAKER: I'm reluctant to see us ... These things always develop into practices — reading documents in the question period. If the minister wants to incorporate it into a supplement to his answer, that might be all right. But if it's going to be a quotation, may I respectfully suggest that it simply be tabled or filed.

MR. ADAIR: Mr. Speaker, it is in response to a request by the Olympic committee to clear up some misunderstanding that has occurred in the last couple of days relative to a report. If I could read it into the [record], I would appreciate that.

MR. SPEAKER: Well, if it contains information that the hon. member wishes to incorporate in an answer, I can see it being done. Outside of that, I'm really reluctant to ... It's undoubtedly going to be used as a precedent. We're going to have all kinds of documents read into the record during question period.

### Student Assistance

DR. BUCK: Mr. Speaker, my question to the hon. Minister of Advanced Education has to do with the announced student loan funding. In light of the fact that enrolments have increased and costs to the students have increased, has the minister done any projections to indicate if the amount of funding that's been extended will be sufficient to cover the proposed loans the students will be making?

MR. JOHNSTON: Mr. Speaker, given the information and the demand for student loans which we've experienced to date, we

believe that the amount of money, including the amount appropriated by the Legislature and the amount added by special warrant, will meet the demand for student loans for the current year.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate if the funding that was advanced by the federal government has been used in its entirety to go directly to student loans or was used for other purposes?

MR. JOHNSTON: Mr. Speaker, the federal contribution is by way of loans. I have very little information which would suggest to me whether or not that full allotment has been used in the province of Alberta, except to say that the federal government has changed the way in which they provide loans to students. It's a very nominal portion of the total amount which is provided by the province of Alberta but in fact has been appreciated by students. Moreover, the amount of money which I appropriated here deals not so much with loans but with what we describe as fellowships or other programs which are available under the student loan Act.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. I believe the problem was that the federal government thought that some of the moneys that were coming into a department were not used directly for student loans but to pay off some debts. So it was a matter of it not going directly into the Student Loan Fund; it was used for other purposes.

MR. JOHNSTON: Mr. Speaker, if that misunderstanding exists, let me say that that isn't the case in Alberta.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate what studies his department has done to find out if many Alberta students could not get into universities because of lack of funds? Or was it just a lack of physical space?

MR. JOHNSTON: Mr. Speaker, with respect to the two variables which have been identified, the availability of money to allow students to enter universities is under some lengthy study, called a participation study, now under way in our department. The preliminary results show that in the case of the province of Alberta, because we are the highest of any province in Canada in contribution to students, in fact that apparent blockage or deterrent to going to school has been removed.

Secondly, in terms of the facilities themselves, it is our best estimate that at this point the facilities of both universities and colleges, while they are absorbing more students, are able to handle at least the student numbers which are there this year.

#### **Olympic Facilities Development** (continued)

MR. MUSGROVE: Mr. Speaker, my question is to the Minister of Tourism and Small Business. Is he aware of a report by Mr. Nelson Bennett, and was it authorized by FIS?

MR. ADAIR: I am aware of a report, Mr. Speaker. The report was not authorized by the Fédération Internationale de Ski. That related to the telex I was attempting to read in earlier and, if I may, I would like to read it now so it gives the answer. I have never had so much trouble trying to give away information. But if I may . . .

MR. SPEAKER: I have to admire the hon. minister's persistence, and I am tempted to imitate it. May I — and I am not

suggesting this should become a precedent either — put it to the House. Is there any objection to the item being read?

AN HON. MEMBER: No.

MR. NOTLEY: Providing it's a precedent.

MR. SPEAKER: Under those circumstances, perhaps the hon. minister could find some other way of disseminating the information.

MR. ADAIR: Mr. Speaker, I would be delighted to tell you exactly what it says without reading it. Mr. Nelson Bennett, who is a member of the United States Ski Association, was not an official representative of the FIS and did not submit a report on their behalf, that was received by the Calgary organizing committee just recently. Secondly, the FIS indicated to us that they still support very strongly the selection of Mount Allan for all the venues except the men's downhill, and they support Lake Louise for that particular one.

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

MR. SPEAKER: I think there are two hon. members who would like to revert to Introduction of Special Guests. Does the Assembly agree?

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, four gentlemen from the town of Grand Centre, located in the Bonnyville constituency in Alberta's great lakeland of the northeast. We have present His Worship Mayor Raymond Coates, counsellors Joe Heffner and Richard Scragg, and town administrator Dennis Lenihan. They are in the members gallery. I would ask that they stand and be welcomed by the House.

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

MR. HORSMAN: Mr. Speaker, with respect to the questions, may I say that the government accepts Question No. 206 on the Order Paper. I move that questions 203 and 205 stand and retain their place on the Order Paper.

[Motion carried]

206. Mr. Notley asked the government the following question:  
How many actions for foreclosures have been commenced by or on behalf of Alberta Home Mortgage Corporation against Albertans, and how many have reached the stage of final order for the fiscal year 1982-83 and the current fiscal year through September 30, 1983?

MR. SHABEN: Mr. Speaker, I wish to respond to Question 206. The Alberta Home Mortgage Corporation considers that a foreclosure action is in process as soon as we instruct a solicitor to commence the action. In many cases the action does not go beyond the solicitor's formal demand for payment.



because arrears are paid at that point. Also, the majority of actions which proceed beyond the demand for payment stage do not usually reach the final order stage.

On September 30, 1983, there were 613 foreclosure actions in process. On March 31, 1983, there were 577 foreclosure actions in process. On April 1, 1982, there were 247 mortgage foreclosure actions in process. Actual final orders and/or properties acquired through foreclosure to the year ended March 31, 1983, were 66 in number. Actual final orders issued and/or properties acquired through foreclosure for the five-month period ended September 30, 1983, were 80 in number. The total number of properties acquired by foreclosure for the period 1982-83 and the five months of the current fiscal year is 146.

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

MR. HORSMAN: Mr. Speaker, with regard to the motions for returns, I move that motions for returns 195, 196, and 197 stand and retain their place on the Order Paper.

[Motion carried]

#### head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

217. Moved by Mr. Zip:

Be it resolved that the Assembly urge the government to review the existing level of contributions to and benefits contained in the public-sector pension plans, so as to eliminate further growth of unfunded liability, reassure pensioners and those paying into pension plans, and protect future Alberta taxpayers.

MR. ZIP: Mr. Speaker, I am privileged to introduce Motion 217 on public-sector pension plan funding.

Looking at this very interesting topic from an historical standpoint, prior to 1965 government employment was relatively small, as were the liabilities of government under old age pensions and so forth. Since then, of course, this problem grew very rapidly with the sharp increases in public-service employment and the extensive increases in benefits that were paid under old age security and the Canada Pension Plan which came into effect in 1964. The traditional system of funding these pensions at the time suddenly became burdensome and worrisome. The deductions were traditionally put directly into general revenues and of course liabilities were paid out of the same source. Since they were a small item in the much smaller government budgets of the time, there was no real concern. Since everybody highly believed Keynesian economics at the time, it was even reinforced as a proper thing to do by Keynes.

Many actuarial studies have recently been made on this subject, and to a considerable degree these are somewhat hypothetical because the models they use and the suppositions they have to impose on their studies are hypothetical. Of course these hypothetical assumptions are subject to unexpected future changes that throw the whole thing completely out of any degree of accuracy.

Similarly, accounting procedures to determine liabilities of government, resulting from employee pension plans that are acceptable, have yet to be worked out. Although we have some very large projections of huge liabilities, they are very subject to change, and I'm not going to quote any of them.

This motion, Mr. Speaker, is particularly timely in view of the serious financial pressures that governments across the world are presently facing as a result of the fundamental

changes that the sudden end of cheap energy supplies in 1973 forced on the world. There is no doubt that the world economy is presently going through a period of painful transition, from a mass production economy dependent on cheap energy and cheap resource exploitation to one that will take advantage of high technology with far less use of expensive energy. The duration of this period of transition in individual countries will depend entirely on the resourcefulness, skill, self-discipline, and initiative of the people of those particular countries.

[Mr. Appleby in the Chair]

Japan made the transition rather quickly. Its economy was forced to immediately cope with the energy costs which quadrupled within the space of the last three months of 1973. It caused a severe recession in that country. By 1976, however, Japan emerged from this recession in a very powerful competitive position, while other countries in both the western and eastern blocs continued to flounder because of the lack of adaptation to this fundamental economic change that has taken place within the last 10 years.

While the government of Alberta, with its Heritage Savings Trust Fund and its strong fiscal position, is presently in the best financial position of any government in Canada, the inability of the rest of Canada to cope with this basic change in the world economy casts a cloud not only over Canada but over Alberta's future as well. This calls for restraint and prudence in fiscal management by governments across the country, since no one really knows when real economic growth in Canada will resume and at what rate this growth will take place. This raises concern over possible future fiscal abilities of governments in Canada to meet future pension responsibilities, particularly if they become as large as some of the forecasts and actuarial studies indicate. Of course this greatly enhances the need to limit the debt obligations of governments to prevent future insolvencies.

Since public pension plans in Canada are at best only partially funded, they depend very heavily on the future ability of Canadian governments to tax, which in turn depends on the ability of Canadian taxpayers to produce and market their products. This means that the steps taken by the Saskatchewan government in 1977 to make their public pension funds self-funding, followed by the important step taken by the Alberta government in 1981 where the government put \$1.1 billion dollars into a special pension fund, were significant moves and very wise steps toward fiscal responsibility in this important area.

Incidentally, this is falling into line with what private pension plans have always been required to do by government legislation. One of the interesting sidelines of private pension plans as compared to public pension plans: because these private pension plans are self-funding, they become a very important source of capital with which to create new investments and new employment opportunities in the country. The fact that public pension plans are not self-funding lowers the actual savings and the ability of the country to engage in new capital investment.

I'm not going to discuss the various pension plans — Alberta has six of them — as it does not concern the subject that directly. But one of the points I'd like to make with respect to the part of the Alberta funds that are not fully funded at the present time, is that in order to make them fully funded, several things would have to happen. First of all, increased deductions from both employees and the government would have to be made and would have to go into that special fund that would

be invested separately and kept away from general revenue, as part of it is at the present time.

In addition to that — and this is a suggestion I'm throwing out — consideration would have to be given to letting people work longer, even though it conflicts with the concerns raised by current unemployment levels in the province and also the concern with the size of the public service. Very definitely, when you look at early retirement, it seriously increases liabilities under these pension plans if people retire early in large numbers with generous pension settlements. As an aside, one of the rewards for working in government, at times at a lower salary than the private sector provides, is a generous pension plan. Of course this generous pension plan, if it comes in in sufficient numbers, undermines the fiscal position of government.

We have other difficulties that arise within our public pension plan, which I'm going to touch on. These relate to demographics. With the falling birth rates taking place at the present time in Alberta and across Canada, we very definitely have an indication of an aging population. Very seriously, if this trend is not reversed and we have fewer young people in the work force, unless this is corrected by people working longer, it is going to pose serious problems for governments in the funding of these plans. As a result, it sharpens the need for further moves towards self-funding.

In closing, I want to emphasize once again that looking at the economic prospects, which are uncertain, looking at the size of the possible liability, looking at the demographic factors, looking at the other liabilities of government, particularly the federal government with its huge public debt, I cannot emphasize strongly enough the importance of increasing the funded portion of the current Alberta public pension plans to lessen the future liabilities of the Alberta government and to place a lesser burden on future taxpayers of Alberta.

Thank you very much.

MR. McPHERSON: Mr. Speaker, it's a pleasure for me to rise and participate in this important debate on Motion 217. I'd like to congratulate the hon. member for Calgary Mountain View for bringing forth this important motion. I'm rather interested that our hon. friend, who is an economist, has brought forth some very interesting aspects, some of which I had hoped to mention in my comments. I certainly don't consider myself to be an economist. However, I have had the opportunity over the years, as an individual involved in the insurance business in the private sector, to sell a few pension plans. Perhaps my comments might be directed in that light.

In anticipation of some of the comments that I would like to make on this resolution, Mr. Speaker, I would like to read the motion into the record:

Be it resolved that the Assembly urge the government to review the existing level of contributions to and benefits contained in the public-sector pension plans, so as to eliminate further growth of unfunded liability, reassure pensioners and those paying into pension plans, and protect future Alberta taxpayers.

Mr. Speaker, in addressing this complex issue of public finance and indeed public-service pension plans. I thought it might be appropriate to sketch out the important difference that exists between private-sector pension plans and public-service pension plans.

In the private sector, sooner or later every employer of any size will likely adopt a pension policy, however vague it may be. It may only take the form of a very simple statement by management to the employee such as, we always take care of our old-timers around here. A pension policy, however, does

not become a pension plan until two things happen: one, a formula which determines the pension benefits and terms under which the employees become entitled is established and communicated to each eligible employee; and two, the employer recognizes the liability arising from his commitment to his employees. Some method of financing the benefits must be adopted, usually by building up reserves through a trust fund or an insurance contract.

In practice, Mr. Speaker, two other steps are almost always necessary. They are that the plan must be registered with the Pension Benefits Act of the province of Alberta and then must be registered with the department of national revenue to comply with the federal income tax. Private pension plans, therefore, must be registered, must grant vested benefits within certain time limits, must satisfy the regulations as to solvency and investments, and moreover the pension commitments must be funded by advance payments. In other words, private pension plans must be fully funded. However, public-service pension plans, such as those administered by the government of the province of Alberta, do not require full funding. Public-service pension plans create what is known as an unfunded liability, whereby the assets of the pension plan are less than its liabilities. The glaring difference, of course, is that industry pension plans rely on their actuarial reserves to make good their promises to employees, whereas public-service pension plans rely on the future taxing ability of the government.

This concern becomes heightened and is becoming larger on the horizon, in that the provision of pensions is a direct charge against the gross national product of the future. While many people will not be retiring until the next century, the realities of pensions have to be faced now. If the work force is large and the retired population small, the burden of carrying pensions will also be small. However, as the work force shrinks and the retired population grows, the burden will also grow. Mr. Speaker, what threatens this system is the birth rate. It affects the capacity of the working population to support the older population. The birth rate in Canada has been declining, and some of the causes are: an increase into the work force by women, the use of birth control methods, a distribution of contraceptives through the welfare system, warnings about worldwide population explosions and a corresponding change in the attitudes about family size, and legalized abortion.

It's interesting, Mr. Speaker, that the total number of births per 1,000 females through their lives is a very important component in consideration of pensions. If the figure is 2.098 or more, the population will sustain itself or grow; if less, the population will fail to reproduce itself. In Canada in 1975, the total number was 1,857, well below the critical number needed. So the demographics, coupled with the practice of the provincial government to draw employer and employee contributions from pension plans into the General Revenue Fund, will cause the unfunded liability of the public-service pension plans in our province to grow over time.

The March 31, 1981, annual report of the Auditor General estimates that the public service pension plans record on unfunded liabilities is \$3,658 billion and some change. The year previous to that, the unfunded liability was \$3.13 billion. Over the course of a year, the unfunded liability increased by \$645 million. It should be noted that in March, 1981, as was mentioned by the member for Calgary Mountain View, the provincial government transferred \$1.1 billion from the General Revenue Fund to the Pension Fund. This transfer of \$1.1 billion was arrived at by estimating what the fund would have been had the government retained and invested all of the contributions made by employers and employees into the plan. Nevertheless those contributions did not meet the current costs of

benefits and, as I mentioned, it leaves us with a growing unfunded liability.

The unfunded liability of the public-service pension plan, which is illustrated in the Auditor General's report, is essentially a function of two things. The first is a lack of interest in the unfunded liability — that is, there is no reserve established in the pension plans to invest to reduce the costs and provide future benefits — and secondly, a deficiency of current employer and employee contributions to meet current costs. Quite simply, Mr. Speaker, employees and employers of government are not contributing a sufficient amount to the pension plan to meet current costs of their benefits.

How do we solve the problem? Or at least how do we narrow the gap to protect future taxpayers and to reassure pensioners? Mr. Speaker, it would be trite for me to suggest that I have any answers. I don't. I'm not an actuary and I'm not an economist. But it does seem to me that one of the answers is not to simply inject a massive amount of money into the Pension Fund. This would constitute nothing more than an exchange of direct debt. By simply borrowing, or increasing our deficit to put into the Pension Fund — incidentally, the government would not pay any interest on any funds in a pension fund reserve — it would seem folly to increase our deficit to a great extent to put into the reserves of a pension plan, where obviously we would have to pay interest on the open market for borrowing. I don't think it would be a good idea. However, there might be some suggestions the government should consider.

Yes, perhaps increasing the contributions from employers and employees, in order that the contributions would at least offset current costs. Present employees and employers shouldn't have to pay premiums in order to reduce the liability of pensioners who went before them. They shouldn't have to pay increased amounts to pay for the unfunded liability of pensioners before them. Perhaps in turn, they should not be paying increased premiums or increased contributions to offset the increased cost of pensioners that will go behind them, or future pensioners. But certainly it seems imminently reasonable, at least to me, that their contributions could reflect their actual costs.

Mr. Speaker, I would like to conclude my remarks by agreeing with the focus of this motion. Indeed the government should be reviewing the existing level of contributions to the public service pension plans. Further, the government may well consider the Saskatchewan experience which was mentioned by the hon. member, which saw that government develop what is known as the new plan in Saskatchewan. This plan is known as a money purchase plan.

A money purchase plan is a defined-cost plan. The benefit is a function of the performance of the reserve established by contributions. It does not define a benefit to the future; it assures that there will be a benefit to future pensioners, but that the cost of the plan is a known. It's invested in the economy; there is no unfunded liability at all. Our provincial plans, of course, are known as defined-benefit plans. Defined-benefit plans are simply a function of one's annual salary times his average number of years. This plan, of course, has an unknown cost, but it certainly does create an unfunded liability.

Mr. Speaker, I would urge members to support Motion 217, to urge the government to consider the levels of expenditure in the public-service pension plans. I would urge the government to at least weigh the opportunities that may be available, by perhaps establishing a money purchase plan, in an effort that will protect future taxpayers.

MR. MUSGREAVE: Mr. Speaker, being on the other side of the House, perhaps I might have a different point of view from

the previous two speakers. I appreciate the restrictions that are put on private plan investments, and I think they are good, but I think they are a reflection of our nature as Canadians, which is rather one of timidity. We're afraid to take a chance and, in my view, we're overinsured and overconcerned about the future. I think we have a reputation that we're not risk-takers as a nation. It's my understanding that life insurance was a Canadian invention. I appreciate it's earned us a lot of money in foreign investments, but it's still a Canadian invention.

If the birth rate is of such great concern to the hon. members, I would suggest there's lots of countries around the world. We could easily import a hundred million people under the age of 20 and that would take care of the birth rate problem. Another item I'd like to suggest is mandatory retirement. Perhaps if we pursued more under the human rights legislation — the fact that compelling people to retire at age 65 is discriminating against you because of age, and I understand that in Manitoba there was a case where a person determined that he was fired unjustly and got his job back. This would have two advantages: the longer people work, the less pressure there would be on retirement funds, and the less pressure there would be on the need to increase the retirement pension benefits.

I have another concern, the concern for our market place for equities. The value of investments in the market place is usually determined by thousands of investors buying and selling. Over the next several years, the pension funds will be the largest pool of capital in Canada and will dominate the market place more than they do now. At present there is \$70 billion in private pension plans in Canada, and 20 per cent of this is the equities of public companies. In the United States there is \$1 trillion invested by pension plans, and this includes state and local government plans. In Britain, 50 to 70 per cent of public listed companies are owned by pension funds.

Traditionally the investment has been in high grade corporate bonds or government securities, blue chip equities and mortgages. In the last 10 years we have seen pension funds invested in oil and gas plays, in real estate, and even the 10 per cent that is allowed in foreign investments and mostly in the form of U.S. equities. Pension funds in Canada are entering a very dangerous stage, because there are larger and larger pools of money chasing fewer ways of investing this money. This is a very unhealthy situation because of our slower growing economy.

Another concern is that the consortium of private pension plans is gaining control of large private and public companies. The QPP fund in Quebec, which is primarily provincial funds, has control of Noranda, Domtar, Proviso, and Gaz Metropolitain. The Caisse d'épargne or QPP is able to invest as no other larger private fund can do. Its control of Noranda, Domtar and similar companies emphasizes what happens when pension funds are channelled into the government sector.

Finally, can one support a funding of plans for something that may happen in 10 years or 20 years or 30 years? I subscribe to the original philosophy that governments can always pay their way through taxation. I'd like to suggest that we should be a little more positive about our future. By bringing in all-inclusive plans, are we not tying up capital that could be used in building a new economy that is not based on numbers of workers but rather how educated they are, how productive they are, and how innovative they are. In Japan after the war they had no resources, no land to speak of, little water, but they had people with drive and initiative, a cohesive desire to do something, and they are doing something. I would suggest that better than putting money into Canada Savings Bonds to allow Ottawa to waste it, we should be investing it in the economy of our people and not tying it up in pension funds.

MR. MARTIN: Mr. Speaker, I will be quick so the hon. member from Glengarry can have his turn. Just a couple of remarks in regard to Motion 217. I certainly think it's worth while that we discuss it and, as the hon. Treasurer knows, I've raised this before in his estimates. I think the figures — it's all right to be positive, as the hon. Member for Calgary McKnight is talking about, but I think it's important that we also recognize where we are in terms of the pensions. If we look at the report of the Auditor General for the year ended March 31, 1982, we see that the unrecorded liability is \$3.6 billion. As they say in that report:

The above figures show a significant increase in the pension (fund's) liability between March 31, 1981 and March 31, 1982.

It'll be interesting to see where we are in the next report, March 1983. And they say:

They also show that the increase in the Pension Fund's assets has not kept pace with the increase in the liability.

It went up by some \$644 million. That in itself is perhaps not cause for alarm, but as the Auditor General clearly says:

Unless significant additional funds are transferred to the Pension Fund, or without increasing pension contributions or reducing pension benefits, the large unrecorded pension plans liability will continue to grow. In the opinion of the Auditor General, the present practice of disclosing recent ... information ...

And he goes on and on. I don't think that's the important point. But the Auditor General is very clearly giving us a warning that we're going to have to do something about it.

I know the hon. Treasurer is aware of this. I refer to *Hansard* on May 24, when I specifically asked him the question. He says:

there's no question that the observations of the Auditor General with regard to unfunded pension liabilities are worthy of very close review. We believe that if prudent decisions are made now, realizing that the liability is one which will accrue over perhaps two decades, we can certainly reduce if not eliminate any significant putting at risk of the provincial finances.

All well and dandy. It's saying that basically the Treasurer is aware there is a problem. The Treasurer has come back to the Public Accounts Committee with recommendations about what they are going to do with regard to unfunded pension liabilities. I think they've done some positive things, but the key thing, before going into what we can do — whether we increase pensions, lower them, or whatever — is one of the recommendations, and I think this is an important one, that

Consideration be given to reflecting the unrecorded liability arising under the various pension plans as a liability in the financial statements of the General Revenue Fund and the Province. The consequent charge to operations could, if desired, be deferred and amortized over a number of years.

Mr. Speaker, I think this is very important. When we look at general revenues and the liabilities and assets of the province, it's clear that at this point some \$3.6 billion is not there. It's an unfunded liability. I know it will not come due tomorrow or the next day — as the hon. Treasurer says, perhaps over the next decade or two — but it's clear that that is a debt owed. To get an overall picture, and make that picture clear, of exactly what we're into, that should be part of the financial statement of the province. That's what the Auditor General is saying.

I think this is important, especially when we see what has happened with the economy in the last two years. For example, in 1979 I doubt many people would have been very concerned, because all the estimates at that time were that the price of oil

would go up and then we were going to have billions flowing into the Treasury. Because of the recession, because of the price of oil coming down and the effect it's had in this province, we're no longer in that position. That's why when we're missing, if you like — I know that is a crude way to put it, but we still have a debt of \$3.6 billion — we should at least put it in the financial statements of the province so we're aware it is there. If it's serious enough, we can then go into some of the suggestions the hon. member made, but that's the first step.

I'm worried — we don't know exactly; it depends on which economist you talk to, and we've had this debate in the House — [about] what our revenues and the economy are going to be like in this province, say, in the next five or 10 years. But I can tell you that if we dig into the heritage trust fund more and start to run into more red ink in more ways than enough, this is going to be a major bill we are not going to be able to pay in 20 years.

I think this is a good motion for discussion. Perhaps we disagree on how to get to that point, but I think the first step is: let's recognize this debt is there and is part of the financial statement of the province, and recognize it is a serious problem. Again, Mr. Speaker, I do not want to be negative; it just makes good accounting sense that we know where we are. So for that reason, I would urge members of the Legislature — we're all concerned about finances and the economy. We may disagree on how to get there at times, but I think we would all agree that we have to know where we stand. For this reason, I would support this resolution: and through this resolution to the Treasurer, perhaps he could look a little more strongly at the recommendation about this liability being put in the financial statements of the general revenue of the province.

Thank you very much.

MR. COOK: Mr. Speaker, I promise to be brief, as I always am. I just want to make a couple of quick points. First of all, I'd like to congratulate the Member for Calgary Mountain View for bringing the resolution before the House. I think it's timely. It suggests a lot of foresight, when we appreciate the problem is coming at us down the road perhaps 10 or 20 years from now. Still, it is important that we face up to those problems before they hit us. I think it was also useful for us to have the viewpoint of a member of the insurance industry, speaking from the private-sector point of view and noting that private plans have to be fully funded by law, and till now public plans have not been. That's a very great distinction that has to be made.

Most of us have looked on pensions as a social security measure. In my case, I know that when I talk to a senior citizen who has a problem with a pension plan. I'm probably not going to ask how much he or she or his or her employer has paid into the fund. I look on the pension, either from a company or from the government, as a way of acting as a safety net, if you like, to protect seniors' standard of living in the years they're not working. Until now I think society has largely had that view, that pensions are a matter of right, not so much a matter of past prudence in investment.

Perhaps I'm part of the problem, Mr. Speaker, in that I'm in my thirties and I'm not married yet and not producing any kids to make sure I'm going to have a pension. If hon. members could make some suggestions about how I should go about doing that, I'd accept coaching from any and all quarters. But the quarters and dollars we're referring to here are amounts that are coming at us a few years from now. And as has been pointed out, the demographic problems of our society are such that people in my generation in particular are just not having the number of children to maintain the work force a few years

down the road to pay for the pension plans of some of the members of this Assembly. So we're going to face a problem with the demographics in the province.

I just want to make a couple of quick points. I had the fortunate opportunity to take a class from the former Premier Ernest Manning when I was at university. Professor Manning outlined the story of the great fight between Ottawa and Quebec over the funding of the Quebec pension plan and the Canada Pension Plan. The former Premier Manning observed that in the views of many federal civil servants and in the view of Quebec, those pension plan dollars were not really dollars to be paid out for future benefits so much as they were a source of cheap cash to build public monuments like dams or public buildings. They always looked on those pension plan dollars as a cheaper way to go to the public and raise money than to float bonds or raise taxes. In a sense, they have deferred that day of reckoning.

We see horror stories in the United States about pension plans or the medicare plan verging on bankruptcy — not being able to meet its current liabilities in the next few years. We have to realize that that attitude we had in the '50s and '60s is just not going to wash.

You have to ask yourself, what are the alternatives? There are several. The hon. Member for Calgary McKnight pointed out that maybe we'll have to work a little longer. Bismarck was the gentleman who picked the age 65 in the German social security system as being the age of compulsory retirement. He did that, oddly enough — as I understand it in history, basically that was the age when most of the work force died. So there was not much of a contingent liability then. He just picked the age when the average person would not have to be a charge on the state and picked that as the date of mandatory retirement. Now if we were to do that in Canada today, we'd be retiring people mandatorily perhaps at the age of 70 or 75. But Bismarck chose 65, and we have lived with that ever since the late 1800s.

So maybe we should be looking at extending the length of time that people can reasonably expect to work, or at least expect to work perhaps part time. If I can just digress a little bit, a lot of sociologists point out that work is important not just because of the income you generate but also because of the social status in society. You're often defined as being a person who has a job. In these days of unemployment, I think that point has become even more compelling. So maybe for social reasons as well as economic reasons, it's important to look at people working a little longer.

There's a second alternative, and that's to increase the contributions paid into the plans by both citizens and governments. While that might be politically very painful for us, because it might mean we have to raise taxes or raise the amount of money people are paying into the plans, it would probably be realistic if people expect to have benefits paid out to them in the long run. Some of my more conservative colleagues in the caucus are fond of saying there ain't no such thing as a free lunch. Frankly, we've been looking at our pension plans as being exactly that. They have not been paid for, yet people feel entitled to them. Perhaps it's time, while there is a large population in the work force, to increase our contributions.

There's another thing that we might look at, and that is to encourage Canadians to invest more of their own money in their own private pension plans. Governments have been doing this a little bit. A few years ago the federal government announced plans to allow Canadians to fund registered retirement savings plans. I think many of us have those. It allows us to put aside our own money and not rely on the state for funding pension plans as much. For those people that are against statism, maybe that is a way for us to go, where we would

expect Canadians to be individually responsible for the management of their own plans and individually responsible for saving their money. I think many of us are doing that, but more as a matter of happenstance. Some Canadians are not doing that at all. There is going to be a day when they're going to contact their M.L.A. or their Member of Parliament and say: gee, I'm 65, I didn't save any money and I can't meet my rent payment this month. What are you going to do about it? It's your problem, not mine.

The other alternative, and perhaps it's the most painful of all, is to reduce benefits to our senior citizens. I only offer that as an observation, not something I'm advocating. But I think that's an option, not a very palatable one and not a very pleasant one for our seniors. I think governments are going to try to do anything they can to not consider that very seriously.

The Provincial Treasurer has made great strides in funding our liability, as was noted a little earlier. A couple of years ago, we transferred \$1.1 billion from the surplus account into our pension plan accounts, and that goes some way to meeting our pension plan obligations. But frankly that sort of puts us in the middle of the pack, not at the head like Saskatchewan, as was outlined by the Member for Red Deer earlier. The Member for Red Deer noted that Saskatchewan's pension plans are entirely funded or fully funded and that their moneys are invested in the market place. The return on those determines the amount of benefits paid out. We haven't reached that point, and we have a number of options to consider.

So I'd support the motion by the hon. Member for Calgary Mountain View. I think it's important that he brought it before the Assembly. It's timely, and it certainly has my support. It makes us all think about the options in front of us and the very serious problems ahead of us. As one who hopes to get a pension, I hope we resolve the problem so that when I am eligible for a pension in about another 35 years, I'll have something to look forward to.

MR. STILES: Mr. Speaker, I'm pleased to rise and join in the debate on Motion 217. I congratulate the hon. Member for Calgary Mountain View for having brought this motion before the House. I agree with my colleague that it is a timely and an important topic.

Mr. Speaker, we've heard a considerable amount of discussion this afternoon with respect to the demographic problems and the fiscal problems of not adequately funding public-sector pensions, but I think there's an issue here that has not been touched on this afternoon. I think that's the issue of morality.

[Mr. Speaker in the Chair]

Employees, or people generally, tend to put off to some other person anything at all they can if they feel they can benefit today and have somebody else pay for it tomorrow. That is what we are actually doing in the case of public-sector pensions that are not adequately funded. We're saying we're not prepared to give up a part of our income and not spend it on our pursuit of pleasures or whatever during our period of earning. We're not prepared to give up that little piece of income to put it away into a pension plan. But we're prepared to visit the cost of our pension on the future generation that will pay it in one way or another out of their incomes. Because if the pensions are a cost to the taxpayer, that future generation will in effect not be receiving some services that otherwise would be paid for with these dollars, or they will be paying a higher level of taxation. Any way that you try to cut it, they will be paying for the pensions that we have not provided for ourselves. I think many people would question the morality of that kind of approach to

pension plans, and that's exactly the kind of approach we have here.

I subscribe to what has been alluded to as a conservative proposition that you should pay your own way. I think that's equally applicable to the people who work in our public service. Many of the people working in the public service view the pension plan that they receive from the government as a benefit in the sense that perhaps they might earn more working somewhere else but they wouldn't have nearly so generous a pension plan. I don't think that really is a valid argument, because the people in the public service are paid just as well as they would have been in the private sector and, in some cases, more so. The pension schemes that we now have — the old age security, the guaranteed income supplement — are being paid out of tax dollars. Those are decisions that we currently make. The various programs that we have for senior citizens are paid for out of the general revenues of the province. We do that out of respect for the kind of contribution our senior citizens have made to this province over the years. I don't think there's anything wrong with that. We are making that choice. But if we commit ourselves by way of contract to pensions for our employees, that we bind future generations of Albertans to pay out of their incomes, I think there's a very serious moral issue there that we should address.

Accordingly, I certainly support this motion that the government review the existing level of contributions in an effort to eliminate the further growth of unfunded liability. Mr. Speaker, I now call for the vote on Motion 217.

MR. SPEAKER: May the hon. Member for Calgary Mountain View conclude the debate?

HON. MEMBERS: Agreed.

MR. ZIP: Mr. Speaker, I wish to reiterate to the Assembly the importance of this motion, in view of the large future liabilities the government of Alberta will incur if further steps — in addition to those taken in 1981 — are not taken to ensure the fundability of future public pension plan liabilities. At the same time, it would greatly add to the peace of mind of worthy public servants if they were assured that when they retire, they will have their pensions coming to them, just as private employees will be assured when they retire from private employment. This does not reflect on the ability of the government to pay; it's simply a matter of good housekeeping. In addition, it will increase fiscal responsibility on the part of our government. As the hon. Member for Olds-Didsbury so aptly pointed out, it is almost a moral issue that we not ask future generations to pay for the needs of the present generation.

MR. SPEAKER: As hon. members know, we are required at this time to pass on to another order of business. Of course, there is a great deal the House can do by unanimous consent, but not on the initiative of the Chair.

MR. HORSMAN: Mr. Speaker, I move that we suspend the rule relative to the time in order to permit a vote on this motion.

MR. SPEAKER: Does the hon. Deputy Government House Leader's motion include any continuation of the speech by the hon. Member for Calgary Mountain View? It does not.

[Motion carried]

MR. SPEAKER: Are you ready for the question on the motion put by the Member for Calgary Mountain View?

[Motion carried]

MR. HORSMAN: Mr. Speaker, with respect to the next item of business, I would propose a motion that Bill No. 214, proposed by the hon. Leader of the Opposition, stand and retain its place on the Order Paper.

[Motion carried]

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

**Bill 217  
An Act to Amend the Ombudsman Act**

MR. LEE: Mr. Speaker, I am a little bit nervous today. I have been seeking the opportunity to speak to this issue since the election. I waited during the last session of the Legislature, but the matter didn't come forward. In fact, I have been waiting to speak to this issue in this Legislature for six years, because it has been six years since I took an interest in the subject. I brought my file along just to show members of the Legislature that it's quite a file.

I don't normally admit that I'm nervous. In fact, before coming into the Legislature today, I was coming out of the washroom when I ran into the hon. Member for Highwood. He looked at me kind of strangely and said: Brian, are you nervous? I said: after five years as a municipal politician, a Toastmaster, a speaker of great renown — me nervous; why do you ask? He said: I wondered what you were doing in the ladies' room.

Mr. Speaker, may I begin on this subject by quoting our Alberta Ombudsman, Dr. Randall Ivany. He said in an address to the Empire Club of Canada in 1974:

There exists today an increasing impersonality of the society in which we live, and particularly of government at every level. Conceding to government the best of intentions, it is nevertheless increasing in size in an increasingly complex and rapidly changing society, and the channels through which a citizen may seek redress of an injustice caused by a bureaucratic system have become complicated and obscure.

Mr. Speaker, my purpose in introducing Bill 217 today is to propose the addition of a proven channel of citizen redress by extending the jurisdiction of the Alberta Ombudsman to our municipalities on an optional basis. I would like to review this matter with members of the Legislature today by covering five areas: first, a brief summary of the content of the Bill; then a short examination of the role and history of the office of the Ombudsman; thirdly, I would like to review the benefits that could accrue to the citizens of our municipalities by extending the jurisdiction; then just take a look at some of the precedents in other areas for this extension; and, finally, I want to touch on some possible objections that members of the Legislature might develop when they initially look at this.

Mr. Speaker, Bill 217, An Act to Amend the Ombudsman Act, would allow individual municipalities, through their elected councils, to choose to give the provincial Ombudsman the authority to investigate complaints regarding matters falling within their jurisdiction. It's important to note that the decision would be made by the municipalities themselves, on an optional basis; it would not be arbitrarily forced upon them. The Ombudsman would report to the individual municipality

respecting the complaints received about them or their agencies, as it does to this Legislative Assembly regarding provincial matters. In fact, Bill 217 provides for both local autonomy and local accountability: two essentials that, in my opinion, are necessary whenever we improve our legislative system.

Mr. Speaker, the first modern ombudsman was appointed by the government to investigate complaints against bureaucratic actions in Sweden in 1809. It is not a new institution. The first non-Scandinavian ombudsman was created in New Zealand in 1962, and this ombudsman had some pretty significant duties. He was given jurisdiction to investigate complaints regarding national and local government agencies, court staff, police and military, and public corporate bodies — a wide range of responsibility.

It is significant to note, Mr. Speaker, that the very first North American ombudsman was created here in the province of Alberta in the centennial year of 1967 when George McClellan became Alberta's first Ombudsman. He was then empowered to deal with complaints regarding the provincial government, its agencies, and public corporate bodies. It should be noted that Alberta's legislation has been amended since 1967 to clarify and reinforce the investigatory powers of the ombudsman. At present, nine out of 10 Canadian provinces have an ombudsman.

If we want to see the responsibility of the Alberta Ombudsman, we should look to section 11 of the legislation, which states as follows:

It is the function and duty of the Ombudsman to investigate any decision or recommendation made, including any recommendation made to a Minister, or any act done or omitted, relating to a matter of administration and affecting any person or body of persons in his or its personal capacity, in or by any department or agency, or by any officer, employee or member thereof in the exercise of any power or function conferred on him by any enactment ...

A very exhaustive assignment. In effect, what that means is that the little guy has a chance.

Each year, the Ombudsman receives hundreds of complaints from Alberta citizens regarding all levels of government in the province: local, provincial, and federal areas. It should be noted that last year alone, in the province of Alberta, there were 1,545 complaints regarding the provincial administration: 732 were written; 813 were oral. In addition, there were another 1,500 complaints over which the provincial Ombudsman had no jurisdiction. Although the law requires that complaints be in writing before a formal investigation is launched, about two-thirds of the complaints in these cases are launched orally. While an investigation is not conducted, on almost every occasion, callers are given direct advice and guidance as to how they might pursue the matter if they don't wish to follow by way of a written complaint.

Where a written complaint is received and an investigation begun, the Ombudsman has been given the power to require that information on the matter being dealt with be made available to his office. I think that's the key. He really has no power to enforce anything, but he has the power to obtain the information. If need be, a subpoena can be obtained to secure this information. Officers and employees of the provincial government cannot hinder the investigations of the Ombudsman. The Ombudsman may also undertake investigations on his own initiative, as was the case in 1976 regarding allegations of use of excessive force by correctional officers at the Calgary Remand Centre. This resulted in a special report by the Ombudsman.

The Ombudsman reports to the Legislature each year, and all annual and special reports are submitted to the Legislature, through the Speaker, as a sign of two things: number one, the role of the Ombudsman as a servant of this Legislature; and secondly, the impartiality and political distance of the office. The Ombudsman does not have the power to make or require changes to any policy or practice. His power is solely to recommend changes, and his recommendations are in no way binding. Therefore, the supremacy of the elected government is preserved.

It's interesting to note — and I looked over the success of the recommendations made by the Ombudsman since its inception here in Alberta — that very few, if any, recommendations have not been attended to in one way or another. I think there has been an excellent success rate on the recommendations that have been made.

What would be the benefit in extending the office to municipalities? How would the Ombudsman benefit the citizens of our municipalities? I believe there are nine good reasons for doing so. Firstly, many areas of government activity in the province involve both local and provincial authorities. I guess the best way to describe this overlapping jurisdiction is with the story about the fellow who drank a bit too much one night. He was staggering home and took a short cut through a cemetery. He fell asleep and woke up in the morning, and he was really confused. He said: if I'm alive, what am I doing in a cemetery; and if I'm dead, why do I have to go to the bathroom so badly? Mr. Speaker, this gentleman was confused and, I assure you, not only is our public confused about overlapping levels of jurisdiction, so are our administrators.

Of course there's going to be overlapping jurisdiction when we consider that every power that a municipality has in this province is delegated to it by the province. There is confusion, and wherever that exists, the Ombudsman may not pursue the matter any further. I think there are dozens of examples. There have been hundreds of complaints in this area lodged with the Ombudsman every year. I can think of a couple; for example, taxation. The Ombudsman can review the appeal process which involves provincial bodies but not the original complaint against the municipality. Transportation is another example. While technically a substantial amount of the funds that municipalities use to build and operate the transportation systems originate with the province, complaints regarding construction or operation cannot be taken to, or appealed through, the provincial Ombudsman. There is the whole area of senior citizen accommodation that falls exclusively within the jurisdiction of municipalities for certain lodges and homes. I think personnel matters are good examples; the planning process; annexation: a number of areas of dual jurisdiction, and therefore the provincial Ombudsman cannot pursue the matter any further.

Secondly, Mr. Speaker, there are just simply many matters now outside the jurisdiction of the ombudsman: health by-laws, city-administered social services, utilities, water, recreation, business taxation. All of these are significant concerns to Albertans but, unless the office of the Ombudsman is extended, the appeal processes that exist today may not be pursued any further.

Thirdly, Bill 217 avoids the difficulties posed by two potential alternatives. One would be extending the jurisdiction on a mandatory basis, and just telling every municipality: you must do this or you must not. Frankly, I can't see why a small neighborhood like Balzac, for example, would want to invite the provincial Ombudsman in when the problem probably could be solved over coffee at the local restaurant. Certainly it's a different matter when dealing with a large urban municipality. Those larger urban municipalities have said in the past: we like the idea. It's conceivable, Mr. Speaker, that unless we extend this office, municipalities could set up their own ombudsmen.

It would certainly be more costly. I doubt that it could respond as effectively to matters of overlapping jurisdiction; we'd still have the same problem. Certainly it would be far more expensive. I understand that the estimate, on an annual basis, of the cost of extending the jurisdiction of the provincial Ombudsman would be about \$60,000 a year for all municipalities. If the city of Calgary were to do it on their own, I can't imagine it being done for less than between \$150,000 and \$200,000 a year.

The proposed extension would be made available to municipalities with the vast experience that the present Ombudsman and his staff already have. In fact, I think they have an excellent proven track record of service.

It has long been recognized that political distance and impartiality are necessary for effective appeals of government action. The Ombudsman provides this at the provincial level; the same protection should also exist at the municipal level. Frankly, when a citizen in my community has a matter that is not appropriate to be pursued at a political level, I have great difficulty explaining why a citizen of the province has that option, but because he is a resident of a municipality, dealing with a government just as large and just as complex, he doesn't have that option. It's interesting to note that the federal government now has an ombudsman.

Sixthly, municipal governments have become increasingly large and complex. Their decisions have a significant impact on the day-to-day lives of their citizens. These two factors necessitate the availability of an impartial, expert appeal process. I understand — and of course this is subject to interpretation — that the provincial government here in the city of Edmonton employs about 19,000 people; the city of Calgary, on an annual basis, employs about 10,000 people. In size, we are just as large. I think after 5,000, it really becomes a matter of another and another and another. In terms of complexity, I challenge anybody to say that local government now is not as complex as this level of government. Mr. Speaker, because of his role as a central appeal agency, the Ombudsman is capable of identifying trends and patterns of difficulty within an administrative structure. Thus he is better able to perceive areas needing change than are several scattered complaint investigators. Municipal administrations could benefit from this ability: I don't think that administrators necessarily look at the Ombudsman as the enemy. In fact, I think many administrators view the Ombudsman as providing feedback about the operation of their department.

The presence of an ombudsman tends to ease tensions in relations between citizens and government bureaucracy. It tends to; just because the office of the Ombudsman exists, doesn't mean that automatically we're going to have great relations between citizens and the government. But I think the knowledge, by both the employee and the citizen, that if the appeal process that is in place doesn't work — there's one final place to go to — helps ease the stress level that exists.

Mr. Speaker, there are now a couple of precedents in Canada for extending the jurisdiction to a municipal Ombudsman. Certainly the provinces of Nova Scotia and New Brunswick have given their Ombudsmen the power to investigate complaints against municipalities. All municipalities are subject to possible investigation. In those provinces, there is no local option as is being proposed in this Bill. It doesn't necessarily generate a giant number of complaints. In the province of Nova Scotia in 1982, there were 119 complaints: not a giant number but certainly worthy of the extension of the office. Other countries have also recognized the need for municipal-level Ombudsmen: New Zealand did so in 1962; South Australia in 1972; Great Britain, the home of our democracy, in 1974.

Mr. Speaker, I know there are objections or possible objections to this proposal. I've been advocating this for so long; I've heard many of the arguments on many occasions. I think the most obvious one, and I've heard from administrators as well as local officials, is that there is no overwhelming demand for the services of the Ombudsman at a local level. If we look at the annual reports of the provincial Ombudsman, we'll see that that is not necessarily the case. From 1978 to 1982, there was an average of 180 complaints lodged about local municipalities, that could not be dealt with by the provincial Ombudsman. In fact I guess the other argument is that if there is no demand at a local level — we haven't been told by local aldermen and mayors that they want this particular service.

Mr. Speaker, in 1974, 1978, and 1980, the Alberta Urban Municipalities Association endorsed resolutions favoring this proposal; in fact, I recall being present in 1978 and 1980. The 1980 resolution of the AUMA was approved unanimously by that convention. So our local leaders are saying: yes, we adopt this principle, as long as it's done on an optional basis. In 1980, the city of Edmonton passed a resolution. In 1978 and 1981, the city of Calgary adopted a resolution. It's interesting to note that Dr. Ivany has indicated before the select committee of the Legislature that, in fact, his work would be easier, in areas of overlapping jurisdiction, if this principle were adopted. So there is a local demand, and there is a need. It's interesting that we had 180 Complaints a year when citizens didn't even know whether in fact that option existed. I imagine it would increase substantially were this Bill to pass.

Mr. Speaker, we've heard the argument that this legislation would erode local autonomy by imposing a provincially appointed overseer on municipal governments. I have often spoken out in favor of greater municipal autonomy. Frankly, because it is optional, I believe this proposal would enhance local autonomy by enhancing local accountability. I believe there's a view often expressed in this Chamber that municipalities aren't as responsible as provincial government. I think one way of ensuring responsibility is improving accountability.

Mr. Speaker, there is the perception that an ombudsman would interfere with the role of elected representatives. That is not the case. It would only follow a decision by the elected representatives themselves. Past experience at the provincial level shows that interference is not the case. It simply provides an appeal that is politically impartial, which is essential to an effective and democratic appeal procedure.

Mr. Speaker, we've heard the concern about the costs of this proposal. I think it's interesting to note that the best estimates are that if the jurisdiction were extended and the maximum use made by local municipalities, there would be a requirement of the addition of two staff. I think the provincial Ombudsman thus far has demonstrated an ability to operate his office and carry out his responsibility efficiently. Between 1977-78 and last year, there have been no staff increases in the Ombudsman's office, despite the fact that the workload has increased substantially. So I don't think there's any reason for alarm or concern that the cost will grow substantially. Frankly, the cost of the addition of two more staff is far outweighed by the benefit to the citizens of municipalities that wish to opt in.

Finally, Mr. Speaker, I think probably one of the most frustrating arguments is — and I hear this frequently — why, for example, would the cities of Calgary or Edmonton adopt this proposal when in fact they already have 15 ombudsmen or 14 ombudsmen, or 12 ombudsmen who are called aldermen. It's true, but I think there's a perception as well that members of the Legislature and members of Parliament are, to a degree, roving ombudsmen. But MLAs and MPs still rely on the ombudsman, and there are good reasons. For example, I think



there are many issues that are extremely sensitive and don't warrant handling by a politician. In my second year as an alderman in Calgary, I recall that I had a case where an employee was fired. There was no appeal process there unless the union supported that appeal, and the union abandoned the guy because they didn't like him. I couldn't look at his personnel file, because I needed to have a motion of council in order to study it; the provincial Ombudsman couldn't do anything. The man was not affluent. He couldn't afford a lawyer, but he wasn't poor enough to go on legal aid. He was stuck. We managed to make some progress, but I thought that was an example of a sensitive matter that really warranted an impartial investigation — and not through the courts either. I don't think it's necessary to clog up the courts every time there's a problem.

I think we also have to look at the different levels of commitment by local councillors. We've heard arguments in most municipalities about the difference between a full-time alderman and a part-time alderman. There are different perceptions of the job by different councillors. In this Legislature, we are furnished with a wealth of experience at a municipal level. The hon. Member for Calgary McKnight served on Calgary city council, as did the hon. members for Calgary North Hill, Calgary McCall, Calgary Millican. All of these members that I'm aware of, did a very effective job looking after individual citizen complaints. I'm not certain we can say that about every local councillor. I'm not certain that the quality of the results you get from your local government ought to depend on whether or not you have a good alderman or a good MLA or a good MP, because they may have strong views differing from yours. Yet I think everyone, as a citizen, is entitled to have a fair appeal process.

Mr. Speaker, the Ombudsman would not usurp the role of the existing appeal mechanisms. This is important. In the province of Alberta we have literally hundreds of appeal mechanisms; the Ombudsman is the last appeal. The same thing would apply at a local municipality; any existing appeal mechanisms would remain in place, and it would be necessary for a citizen to go through those established appeal mechanisms before going to the Ombudsman.

Mr. Speaker, Dr. Karl Friedmann, formerly of the University of Calgary and now Ombudsman for the province of British Columbia, found in a 1977 survey that the existence of an ombudsman office enhanced the use of other appeal mechanisms. His study showed that where an ombudsman office existed, it helped inform or guide citizens to the proper established appeal procedures that they may or may not have been aware of. It's interesting to note that the introduction by CBC of a very visible TV ombudsman increased the workloads of existing provincial ombudsmen right across the country — I understand as much as 50 per cent — because people became more aware that they had better rights, that they could pursue these matters that they previously didn't think they could.

In summary, Mr. Speaker, the search for the answer of fairness for all in government is a bit like the search that Columbus made for the New World. He didn't know where he was going when he left; he didn't know where he was when he got there; he certainly didn't know where he'd been when he returned; and he did it all on a government grant. I don't pretend to know all the answers in this area, but I had five years experience in municipal government to become better appreciative and better acquainted with this problem. I know that the present provincial system works, and it works very well. I know that there is a gap that needs to be, and can be, readily filled, almost at once, by the passage of this Bill.

To summarize, I've reviewed the content of the Bill and the history of the role of the institution of ombudsmen. I've looked

at some of the benefits, the precedents for this office, and considered some of the possible objections. What I have been saying in the past 20 minutes has been better said, briefly, in two short sentences by Chief Justice J.V.H. Milvain of the Supreme Court of Alberta, when he noted in a 1970 judgment, the Ombudsman

can bring the lamp of scrutiny to otherwise dark places, even over the resistance of those who would draw the blinds. If his scrutiny and observations are well founded, corrective measures can be taken in due democratic process, if not, no harm can be done in looking at that which is good.

In closing, Mr. Speaker, the Ombudsman is recognized as a valid and important part of our system of government. Municipal government can be as complex and confusing as provincial government and should be open to complaint and appeal as much as the provincial government. The local autonomy of governments is preserved while the needs of the citizens are recognized and accountability is improved.

In some respects, I see the Ombudsman as a charter for the little man, a charter that states that all citizens are entitled to fair treatment and the right of appeal, no matter how large the bureaucracy, no matter how complex an issue, no matter how indifferent government, no matter how humble the citizen. All people are entitled to have those blinds opened, whether they be citizens of this province or residents of a municipality.

Mr. Speaker, members of the Legislature, I ask for your support.

MR. THOMPSON: Mr. Speaker, this is the first time that I've stood and spoken in the Legislature during the fall sitting. I'd like to take this opportunity to congratulate you on your ability and determination to fulfil your responsibilities as you see fit. Now that I've got that off my chest, I'd like to speak on Bill 217.

What is an ombudsman? When it comes right down to it, I suspect that we all are. Each of us, as an elected representative, represents his constituents here in Edmonton. When it comes down to it even more, I suspect that the councillors and aldermen in the local government arena are also ombudsmen. I feel that our provincial Ombudsman really fulfils a role when he takes over when all else fails. I think he does a good job. I've got no question that we've had two very good ombudsmen in the history of the province. He has done well. But he is also another thing; he is an officer of the Legislature. There are three of those: the Chief Electoral Officer, the Auditor General, and the Ombudsman. All three of those people are directly responsible to the Legislature itself, and I am really concerned, that we are trying to dilute that responsibility and turn it over to another level of government.

I basically have three concerns. I'm not like the hon. member from Buffalo with eight or nine reasons for; I've got two or three against. They're not big ones basically, but they do concern me. I think the first one is the option clause. I honestly don't believe that you could have an ombudsman that was performing in municipal government in some jurisdictions and not in all. I think it would cause far more problems than it would solve. It would maybe solve some people's problems; it wouldn't solve all. So I would say that if this Bill is passed, there would have to be some attempt made to make the office of the Ombudsman a responsibility of all municipal governments — urban ones at least. I honestly believe that one of the reasons this option clause was put in, was to make it more palatable to the Legislature, but I don't think that it is really an option that we should consider.

The second one: if we allow the ombudsman to be responsible for municipal problems, he's forced to wear two hats. The hon. member opposite has explained that; he has given several different areas that the Ombudsmen would have to have jurisdiction in. I really think it's asking too much of any man to sit and make a decision when he is responsible to two different levels of government. I'm not nearly as qualified in municipal government as the Member for Calgary Buffalo, but if we have an ombudsman for municipal government, I think the municipal governments should appoint their own, whether it's for each individual municipality or one that handles all their urban affairs — however they want to do it. I think you have to have two distinct people. I don't think that one person can actually go out there and handle areas where two different governments are involved.

It's interesting to me that this Bill, or similar versions of it, have already been before this House five times; it's also interesting that it seems to come from Calgary. But that's just an aside.

MRS. CRIPPS: They have problems.

MR. THOMPSON: Well, we all have problems. But I would say that it has been here five times, it has been discussed five times. I think the last person who brought it forward was our hon. Minister of Energy and Natural Resources, and it was debated at that time. There's nothing wrong with it coming up again, but I feel that the Legislature should look at this very carefully before passing it.

I want to get to costs, because I was very interested to hear the member state that it would cost too much for the city to have an ombudsman, but it wouldn't cost hardly anything for the provincial government to put these services to their use. I have real problems with that. Let's look at what has happened in the years since the ombudsman has been here. They started out in '67-68, and the total cost of the office of the Ombudsman was less than \$27,000. Then, of course, over the years, once people got used to using it and he got involved in more areas, it increased. Now we're up to \$676,000, and remember that he's just dealing with provincial government cases. I did a little arithmetic and, from my information, in '82 he handled 1,103 cases, which works out to somewhat over \$600 a case; that's just for the provincial government. I do believe the member is correct in saying that they could probably start out with a couple of extra people to help, and it really wouldn't cost much the first year. But I believe that by the third or fourth year, we would be looking at maybe double the cost of what we're paying now for our Ombudsman, and I don't really think that's fair. I'm a great believer in local autonomy too. I honestly think that the people that use the services should pay for them. So from that point of view, I think the cost would increase an awful lot over a period of three or four years — not the first year, not until people got used to it, but I think that eventually it would get to be quite a cost.

The member also talked about the complaints the Ombudsman has had from municipalities. I see that he had 39 written complaints and 134 oral complaints in the last year. So it's true that there aren't too many at the present time, but I think there would be a flood of them in future years.

He also talked about Nova Scotia and the fact that they have an ombudsman there that looks after municipal affairs. I have a bulletin, and here are some of the things he investigates down there. There was a complaint that a shack had been unlawfully erected near this man's property. Another fellow's contact lenses were not returned to him after he had been incarcerated in a holding cell. Another fellow feels the town does not enforce

by-laws which deal with control of dogs running at large. Another fellow feels that the dog tax should be repealed. We go on over here; he feels that the sidewalks should be kept in better repair. Basically, I think this type of complaint is far better handled by the local aldermen themselves.

I think there's a role for the Ombudsman to play here in Alberta, because it's large and varied. But surely, anybody lives within 20 miles of his alderman. There are only a dozen aldermen. We have close to 80 people here in the Legislature. I really believe that most of the types of complaints I see listed here from Nova Scotia could be handled by the local people themselves. Therefore, Mr. Speaker, I suggest that the hon. members defeat this Bill.

Thank you for your attention.

[Two members rose]

MR. SPEAKER: I believe the hon. Member for Edmonton Norwood caught my eye first.

MR. MARTIN: Thank you, Mr. Speaker. I will be brief, so the hon. member can get in the debate. I couldn't resist. I wasn't going to, but my hon. friend from Cardston was talking about Calgary. I thought that maybe it was time Edmonton got up to support the Bill. I will do it for a couple or three quick reasons.

First of all, I agree with the Member for Calgary Buffalo. Being a city member — and perhaps we see things somewhat differently than rural members do — many of the matters I deal with as an MLA are almost interchangeable. Quite frankly, people do not understand the difference between the levels of government, and often I don't think MLAs or aldermen do either. But government is very complex, and I don't think there's any indication that it's going to get less complex in the very near future.

I think this government made a good decision to bring in an Ombudsman. If it makes sense to have an Ombudsman at the provincial level, following the logic, I think it makes sense to continue with the Ombudsman having jurisdiction in municipal areas. If we want to follow the logic, it's clear that municipal governments are set up under provincial Acts. The Ombudsman is set up in a provincial Act. Therefore, why not allow the Ombudsman to look into those areas? As the Member for Calgary Buffalo indicates, cities are now much bigger than they were in the past. The indications are that cities will continue to grow bigger and bigger as we go along. That has been the trend throughout North America; it's not something we're going to stop here.

Many people feel lost when they deal with what seems like hundreds and hundreds of government agencies. They need one office that they feel is basically there for them. So the point I'm trying to make is that clearly, if we suggest in this Legislature that we think the Ombudsman has done a good job provincially, there's no reason to say he couldn't do the same job in very complex city governments locally. I don't understand why we would hesitate from that particular point of view.

It would be one thing if in this Bill we were imposing and saying: you're going to have an ombudsman whether you like it or not. To get around that, in section (c.2), as I understand it, the hon. Member for Calgary Buffalo says:

"participating municipality" means a city whose council has passed a resolution determining that the Ombudsman shall have jurisdiction with respect to the administration of the City.

What we're clearly saying is that it's up to the local councils whether or not they want the Ombudsman. There are new

councils; if they choose not to involve themselves in this program, fine; that's their choice. But in the past it's clear that especially the urban municipalities have asked for this service. It has come as a direction from city governments so would not be something the provincial government, if you like, is passing on to them. They obviously see the need, and I think we should respect that need.

The Member for Cardston says he is worried about costs, and I know we are all worried about costs. We've tried to show other places where we could save costs. The point is — and I think it was pointed out — if they see an ombudsman as being important, it makes much more sense to have it under the Ombudsman here rather than having an ombudsman in Calgary, in Red Deer, in Lethbridge, in Edmonton, and in Grande Prairie. That's going to save taxpayers' dollars over the long haul.

What we must remember, Mr. Speaker, is that it's all the same taxpayer, whether they're paying taxes to the provincial government, to the federal government from Alberta, and certainly to the civic governments. It's all the same taxpayer we're protecting. It's not just the provincial government revenues; it's taxpayers generally. I believe that's important to keep in mind.

That's basically all I have to say, except to stress those two points. Civic governments are very complex now, the same as provincial governments are. If we don't believe in ombudsmen, we should be bringing in a Bill to abolish the provincial Ombudsman here. I do not believe that's where the majority of the members of the Assembly are. But if we buy the logic that he can do a good job for provincial government jurisdictions, then surely the logic follows that he can do a good job at the municipal level.

About his time: as I understand it the Ombudsman has said it would make sense — often it would save him time — if he had some jurisdiction in civic governments. So I suggest that we look at this, and if only Calgary has been advancing it before, at this particular time the hon. Member for Cardston will have a member from Edmonton who supports this Bill.

Thank you very much.

MR. OMAN: Mr. Speaker, I think the Member for Calgary Buffalo is to be commended for following through on an effort he began some years ago while he was a member of Calgary city council. Largely through his efforts, the motion before us today was discussed at the local municipal level on a province-wide basis with AUMA, and he again brings his motion to the Assembly today. It's a good topic; it's worth while, even though it's been here before. I suppose that proves the old adage which says: in politics, after all is said and done, more is said than done. Often that's the case.

I appreciate that the Member for Calgary Buffalo indicated that the origin of the movement came from my own ancestry, which doesn't give me a heck of a lot of credit. The word "ombudsman" is actually a Swedish word which means a people's advocate. It has a legal sense to it, and indeed the first ombudsman was appointed in Sweden in the early 17th century.

Having said that, I think there is a lot of merit to what the member is proposing, although I don't find it's a great burning issue to me or to the constituency I represent. Having served on the Calgary city council myself, where a lot of this seems to have been initiated, I can't ever remember receiving a phone call indicating that an ombudsman ought to be appointed. Nevertheless, that's not to say that it shouldn't be. But sometimes I have an ambivalence as to whether or not one creates a need by providing for it in that sense. In other words, when

people see that there's an avenue, they begin to use it, whereas otherwise they may not have seen much use to it.

The hon. member told the story of a cemetery, which brought to mind one that I had heard — I doubt it's true; it could be — where there was a short cut through a cemetery, that was used regularly. In the course of events, a grave was necessary and had been dug in that area. In the deep of night, a citizen came walking across. Of course, where the path went over this grave he fell in. Try as he might, he could not get out: it was too deep for him. He exhausted himself trying to get out, and finally decided that he'd sit down in one of the corners and wait until help came in the morning. In the meantime, of course, somebody else came along and did the same thing and fell in. He likewise tried to get himself out by all kinds of endeavors and might. The fellow who was in there first had observed all this, of course, and as the fellow was about ready to give up, he said from his corner: you'll never make it. Well, he did. [laughter]

That simply indicates, Mr. Speaker, that it's hard to find the balance between where people can help themselves and where they have the need of someone else to give them assistance. As I said, I don't find it's a burning issue. I agree somewhat with the Member for Cardston as I look at some of the things that he looked at with regard to the Ombudsman from Nova Scotia, who was dealing with issues which came out of municipalities. I don't want to be repetitious, but some of the issues: feels county building inspector taking unnecessarily hard stand against him re issuance of building permit; questions action of municipality leading to expropriation of his property; alleges he did not receive notice of assessment of other tax information; alleges he is being overcharged for water rates. Those are precisely the issues that came across my desk all the time as an alderman and which I think an alderman is suited to deal with. It's possible, as I said, that you could simply create another bureaucracy to which a person goes. So I think there's no question that some of these areas are better handled by the local representatives.

The other thing is that local government, or municipal government, tends to be closer to the people. I think most of us who have been in that, sense that the sort of backyard concerns come regularly by way of telephone calls and so on. Some years ago, the city of Calgary, recognizing that there perhaps needed to be better recognition of who their representatives were — whereas there used to be two aldermen per ward and only six wards — decided to expand it and make one alderman per ward for 14 wards, so there's a better identification. I think that was generally a good idea, and I supported it at the time.

Having said all that, there is something to be said about some areas where I think an ombudsman — who brings no prejudices, according to his office; who has a moral suasion aspect where, when all other avenues were exhausted, could be helpful in solving some problems — could be of use in the municipal field. I don't think there are lot of them. There are some now who go to the Ombudsman and probably shouldn't. That's why I say that I think you do sometimes create a need where there isn't one. I certainly agree with the Member for Edmonton Norwood that if we were going to have municipal ombudsmen, it would be better to have one centred for the whole concerns of the province and the municipalities, rather than having the overlapping of ombudsmen on a municipal nature in each small constituency. I think the efficiency of such an office is better than having one here, there, and all over. Obviously, the costs are there.

I would disagree with the idea of making this optional, if it were to come, because I think you need consistency across the

province, rather than having one municipality having it and the other one not. I would really see no problem with division of responsibilities between urban or rural situations. If we were going to do this, I think that the sensible thing would be to simply fold it into the present responsibilities of the provincially appointed office. I don't think there's a great factor here as far as costs are concerned, that the provincial government would be unwilling to provide for those extra costs.

I guess the one thing I question here, Mr. Speaker, is timing. As I mentioned, it's not a burning issue. I also think that in a time of restraint we wouldn't want to be expanding bureaucracy. There are going to be some dollars involved. So I would say, yes, I think the idea has merit, but I would be inclined to say not today.

Thank you, Mr. Speaker.

MR. NELSON: Mr. Speaker, I would like to take the opportunity in the remaining few minutes to highlight a few points. Like the Member for Calgary Buffalo, who has been very persistent in pursuing this, I've also been persistent in objecting to it. As a former member of the city council of Calgary, I had the opportunity to participate in this issue at that level, along with a couple of my good friends. Of course, we weren't successful in not having it proceeded with. As intelligent participants in this House, I'm sure that we will certainly make the right decision today.

Mr. Speaker, it's interesting to note that at the municipal level there are many areas for people to take their concerns. Of course, the first level is the alderman, at least the political area. I've read with some great interest the municipal Ombudsman's report from Nova Scotia. When I read this, I notice that many of these things can be handled — in fact, I would say 95 per cent of these could probably be handled without an ombudsman. When I re-examine them, I notice that I looked after many of those issues as an alderman. I'm sure that any alderman worth his salt would be able to do the same. Some of us, of course, were inclined — we wanted, to pass off our responsibilities.

Mr. Speaker, as an example, in Calgary — and I'm sure Edmonton and many other large municipalities have similar people available — we have a centre that gives advice, information, direction, and in most cases assistance. Where there are police complaints we have the police commission. We also have the Law Enforcement Appeal Board. In the area of taxes, we have a tax assessment appeal committee; we also have a provincial assessment appeal area, although I might question the make-up of the civic one occasionally because of the process

of the appeal and the fact that sometimes the people that appeal get turned away. They don't allow an appeal. But then there's the other avenue with the province. We have city council. They have an appeal committee, mostly for business licences, taxi licences, et cetera. But there's still a committee of appeal.

Mr. Speaker, in my experience at the municipal level, we have some people that generally listen and look at these appeals in a sense of responsibility. On the other hand, the Ombudsman may endeavor to overstep his boundaries also. I take a quote from the Cavanagh report: One certainly gets the impression that the Ombudsman and the *Journal* were trying to dictate policy to the minister. Are the municipal representatives going to have the same concern pushed at them?

We talk about the complexity of the two levels of government. Mr. Speaker, compared to the province, the municipal is a bunch of pussy cats. The municipal level is not very, very complex at all when you compare it to the province. I wish it were not the case, but unfortunately it is. How many complaints? As I've already indicated, in the area of Nova Scotia, there were a few complaints, but how many of those were really legitimate? Let's examine what those complaints were. Let's examine what types of complaints are being offered to the Ombudsman in Alberta as far as the municipal area is concerned. Let's save the taxpayer money. An ombudsman will cost us money. It doesn't matter whether it's municipal, whether or not you have to set up a separate office; it will cost money.

Mr. Speaker, I have some other comments, and noting the time, I would like to move that we adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly is not to sit this evening. Just before moving adjournment until tomorrow, I would indicate that second readings of Bills on the Order Paper will proceed tomorrow. The first Bill will be Bill No. 80. After that, generally, we will be going back to start with Bill 72 and, if there's time, proceeding with whatever others might be given second reading before one o'clock. The Bills that will not be called tomorrow are Bill 71, Bill 81, and Bill 93.

[At 5:30 p.m., on motion, the House adjourned to Friday at 10 a.m.]