

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, November 3, 1983 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **TABLING RETURNS AND REPORTS**

MR. ZAOZIRNY: Mr. Speaker, I wish to table the annual report of the Department of Energy and Natural Resources for the year ended March 31, 1983.

MR. RUSSELL: Mr. Speaker, I wish to table the response to a motion for a return, being the Study of Open Heart and Cardiovascular Services in Alberta.

MR. TRYNCHY: Mr. Speaker, I wish to file one copy of the Kananaskis golf course contract and the dress codes.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. MARTIN: Mr. Speaker, it gives me a great deal of pleasure to introduce to you and to members of the Assembly Mrs. Betty Gowan, who resides in Thunder Bay, Ontario, and is in Edmonton visiting her daughter Jane Pickard, who works in the Clerk's office and whom many of us know. She is also blessed to be a resident of Edmonton Norwood. Mrs. Gowan is in the public gallery, and I would like her to rise and receive the warm welcome of the Assembly.

MR. CHAMBERS: Mr. Speaker, I would like to introduce to you, and through you to the Assembly, 36 grade 8 students from Major-General Griesbach school, which is located in the constituency of Edmonton Calder. The students are accompanied by their teachers Mrs. Irene Hostyn and Mr. Cliffe Opeim, their librarian Mrs. Joanne Wheeler, their driver Pte. Sue O'Brian, and parents Mrs. Beverly Amos and Mrs. Pat McManners. They're all seated in the members gallery, and I would like to ask them to stand and receive the usual warm welcome of the Assembly.

MR. CAMPBELL: Mr. Speaker, it's my pleasure today to introduce to you and to the rest of the Assembly 11 grades 5 and 6 students from the Benalto elementary school. They are accompanied by their teacher, Audrey Brattburg, and also by parents Mrs. Barb Hillman and Mr. Ron Parrott. They are seated in the members gallery, and I would ask them to rise and receive the welcome of the House.

MR. WEISS: Mr. Speaker, it is indeed a pleasure for me this afternoon to introduce to you, and through you to the members of the Assembly, a gentleman by the name of Mr. Peter VanBelle. Peter is a newly elected member of council for the city of Fort McMurray, located in the constituency of Lac La Biche-McMurray. I had the pleasure of visiting with Peter prior to coming into the Assembly and certainly look forward to working with him in his next term of office, along with the

new members of council. I would ask Peter to rise and receive the cordial welcome of the Assembly.

MR. DIACHUK: Mr. Speaker, on behalf of our colleague for Edmonton Gold Bar, Mr. Hiebert, who is attending a parliamentary conference, I wish to introduce to you and to members of this Assembly some 30 grades 5 and 6 students from Capilano elementary school in the constituency of Edmonton Gold Bar. These students are accompanied by Mr. Glenn Munro, Mrs. Bartz, and Mr. Kellough, staff of the school. I would ask them to rise in the public gallery and receive the warm welcome of this Assembly.

head: **MINISTERIAL STATEMENTS**

**Department of
Social Services and Community Health**

DR. WEBBER: Mr. Speaker, the statement today relates to design changes to the aids to daily living program and the extended health benefits program.

Over the past number of months there have been extensive discussions with a wide variety of groups involved in the government's highly successful aids to daily living and extended health benefits programs. These discussions have now culminated in government decisions about improving the delivery of benefits associated with these two programs.

The extended health benefits program was introduced by this government in 1973 and is designed to help our senior citizens cope with extra health expenses for equipment and supplies required due to chronic illness or disability. Last year more than 40,000 seniors were able to take advantage of health supplies provided under this program.

Similarly, in 1980 the government went a step further by introducing Alberta aids to daily living, which provides health equipment and supplies to those handicapped Albertans under the age of 65 who, because of their disability or illness, require extra support in order to live independent lives. Last year more than 30,000 Albertans benefited from this program. In total, then, more than 70,000 Albertans receive benefits from these two important programs.

Mr. Speaker, the range of benefits offered by Alberta aids to daily living and extended health benefits, and the wide eligibility criteria used for these programs, are outstanding. Benefits are provided at no cost to those who qualify for the two programs. Those benefits include bathing and toileting aids, walking aids, prosthetics and orthotics, hearing aids for senior citizens and youths, medical and surgical supplies, respiratory aids, wheel chairs, environmental aids, and pediatric items.

There was public discussion during the summer months about the possibility of implementing cost sharing for benefits provided under these programs. I would like to reiterate what I said at that time. While cost sharing was considered as an option, government has made the decision that cost sharing of benefits will not be necessary. Similarly, there will be no major deletion of benefits from the programs. There will continue to be periodic adjustments to the benefit list to keep it up to date.

Following consultation with more than 35 groups representing every aspect of the program, from health professionals to suppliers and recipients, the following decisions have been made. One, maximum prices will be set. The programs will pay to suppliers the average retail price in Alberta of each product or benefit. Not included will be items purchased through competitive tendering, or items supplied by members of professional organizations at negotiated prices.

Two, the role of the authorizer will be strengthened; that is, the health professional who assesses a person's eligibility for benefits and authorizes a supplier to provide those benefits. This change is being made to strengthen the responsibility of these professionals so that they can help control the expenditure of public funds.

Three, wherever possible, we will eliminate the situation where a prescriber of a benefit is also the supplier of that benefit. Four, negotiations will commence to contract with a voluntary organization or business for the management of the recyclable inventory of the programs. Through more efficient use of recyclable equipment, this should reduce the amount of new equipment which has to be purchased.

Five, responsibility for provision of some benefits provided in institutions will be transferred to the Department of Hospitals and Medical Care. This will ensure better control over the provision of those benefits and will mean better economy in purchasing. Six, administration of Alberta aids to daily living and extended health benefits will revert to one organization. Discussions as to how to accomplish this are now under way with the Alberta Rehabilitation Council for the Disabled, which in 1982 took over the administrative responsibility for Edmonton and northwestern Alberta. This move will eliminate duplication and will make access to the program easier for prescribers and suppliers.

Seven, Mr. Speaker, a number of internal management and administrative improvements will be made in the two programs. These include an integration of management of both Alberta aids to daily living and extended health benefits.

Mr. Speaker, work is now under way to implement these changes as soon as possible. As did the redesign stage, implementation will feature close consultation with hospitals, health units, suppliers, authorizers, voluntary organizations, and clients. The process of co-operation worked well while we were considering changes, and I am confident that co-operation will be maintained. It is our goal to have all these changes in place by April 1984.

The success of Alberta aids to daily living and extended health benefits speaks for itself. The programs provide needed services to Albertans in the most convenient manner. There is easy access to the program, with more than 800 authorizers in the province. There is no restriction on who can be a supplier for many types of benefits, meaning that Albertans will continue to have a choice over where they get their benefits.

Through the changes I have announced today, between \$2 million and \$4 million will be saved annually. Most importantly, Albertans who receive benefits from aids to daily living or extended health benefits should not have their life styles affected. Mr. Speaker, sound management of public funds is critical as Alberta climbs out of the country's economic recession. The redesign of these two important programs demonstrates our continuing efforts in that regard.

Thank you.

MR. NOTLEY: Mr. Speaker, in rising to respond to the ministerial announcement today, might I just say at the outset that I am somewhat disappointed that the normal courtesy of ministers to make available a copy of their ministerial announcement to the Leader of the Opposition was not followed in this case. When we're dealing with a complicated ministerial announcement, it is regrettable that that was not done.

In responding to the remarks the minister has made, however, I do want to deal with two or three items. The first item is with respect to the public discussion last summer concerning user fees for aids to daily living appliances. As far as my colleague and I are concerned, even the fact that the government con-

sidered applying user fees as an option in this particular instance is absolutely scandalous. I'm glad to see that public opinion forced the government to back off from what was an outrageous proposition. I suspect that rather than serious analysis as a consequence of caucus input, Mr. Speaker, it was public opinion that forced the government to retreat.

The other observation I'd like to make is with respect to the recycling of equipment and appliances. A few weeks ago I had an opportunity to speak at some length with the former Premier of Saskatchewan, where a similar program had been in place for some years. He outlined in considerable detail to me the savings to the taxpayers of Saskatchewan as a result of the system of recycling appliances. People who are ill or need appliances temporarily don't need them permanently. So when they've finished using them, they can be recycled and used by someone else. The Saskatchewan experience over a number of years, Mr. Speaker, saved a lot of money for the taxpayers of that province. Without the fact that Alberta had in terms of huge revenues in the '70s, the Saskatchewan government had to design a more administratively tight and competent system. They did. I'm glad to see that we're finally borrowing some of the ideas that were pioneered by the province to the east of us.

By and large, Mr. Speaker, we greet the ministerial announcement with some hope, the details of which one unfortunately cannot comment on, because we were not given a copy.

head: ORAL QUESTION PERIOD

Unregulated Financial Institutions

MR. NOTLEY: Mr. Speaker, I'd like to direct the first question to the hon. Minister of Consumer and Corporate Affairs, and it deals with the cease trade order issued yesterday to Signature Finance. Is the minister prepared to bring forward the date placed for suggestions with respect to this discussion paper on unregulated deposit-taking companies, and proceed with legislation in this regard?

MRS. OSTERMAN: Mr. Speaker, as I think the hon. Leader of the Opposition well knows if he read my news clipping as well as the information document that's out there for discussion, I have undertaken to — I think it's about mid-December for that appraisal.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. What steps is the government taking with respect to the present situation in Signature Finance?

MRS. OSTERMAN: Mr. Speaker, unfortunately I don't have any information on the cease trade order, but I'll be expecting that information to be communicated to me by the Securities Commission.

MR. NOTLEY: Mr. Speaker, a supplementary question. The minister has indicated that mid-December will be a target date. Will we see legislation presented to the Legislature during the spring session?

MRS. OSTERMAN: Mr. Speaker, I think that's somewhat presumptuous because, in the case of the discussion paper — hopefully, the hon. Leader of the Opposition has read it — there is not an inference that a decision has been made that in

fact we need legislation. That's precisely why I'm asking the public to comment.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. What options is the government considering at this stage with respect to the position paper? In particular, can the minister give the Assembly an indication, beyond the middle of December as to a public statement, of what steps will be taken to safeguard the people who invest in these unregulated deposit-taking companies?

MRS. OSTERMAN: Mr. Speaker, depending on the type and quantity and quality of public response, which I hope will all be in by the middle of December, I would say that by the spring sittings of the Legislature I should be in a position to make public what we believe the proper response should be.

MR. NOTLEY: Mr. Speaker, a supplementary question. Does the minister have any estimates as to how many mortgage and finance companies will have gone into bankruptcy by the time the government's position is clear?

MRS. OSTERMAN: Mr. Speaker, I'm not sure whether or not that is a hypothetical question, but I don't have that information. When you're talking about some unregulated activities, there are a lot of people doing business whose shoulders we don't necessarily look over.

MR. NOTLEY: No question about that, in the finance and trust company business.

I would ask a supplementary question to the minister, Mr. Speaker. At this stage is the government giving any advice to depositors whose investments either have been lost or will be jeopardized while the government is finalizing its position with respect to unregulated deposit-taking activities?

MRS. OSTERMAN: Mr. Speaker, I'm not sure it's for government to give advice. Certainly with the amount of publicity there has been out there over the last number of years with regard to a number of investment-type opportunities, I would have hoped the public would have taken notice of those investment-type opportunities and realized that in fact we're talking about a very major risk area. Interestingly enough, it's highlighted again by the language used by the hon. Leader of the Opposition. The hon. Leader of the Opposition said "deposit", when in fact in this case we are not talking about a deposit-taking activity; we are talking about an investment activity. But indeed the hon. Leader of the Opposition is quite correct in being concerned. Hopefully we are addressing that concern. It is obvious that the public has not sorted out that difference.

MR. NOTLEY: A supplementary question to the minister. At this stage what position is the government taking with respect to evaluating the climate for companies of this nature, in view of the general economic downturn and the implication that change in climate has for the risk, especially for people who are investing money they saved over the years and who tend to see this as a deposit as opposed to a risk investment.

MRS. OSTERMAN: Mr. Speaker, I would say that the evaluation has taken place to some degree by, number one, our staff in Consumer and Corporate Affairs checking prospectuses that have been registered with the Securities Commission to try to ascertain how many of those people might still be in business, what their connection with the public is, and if they

are still operating; as well as by the communications that come to both the department and my office from citizens who have some concern, particularly with respect to the real estate market and the fact that it has had a downturn and affected the investments that obviously these types of institutions have been participating in.

Coal Industry

MR. NOTLEY: Mr. Speaker, I would like to direct the second question to the hon. Minister of Energy and Natural Resources. This morning McIntyre Porcupine announced a further layoff of 83 workers at their Grande Cache mine. In light of this latest round of layoffs, is the minister in a position to outline what specific plans, beyond the general discussion in response to the Member for Edson on October 25, the government has in mind to aid the ailing coal industry?

MR. ZAOZIRNY: Mr. Speaker, in responding to the hon. member's question, I believe one should begin by indicating that the coal industry, in like fashion to other aspects of the energy industry, has of course experienced some difficulties over the last period of time, largely in response to the economic recession that has gripped much of the world. The coal industry is certainly no exception to that case.

In response to that overall situation, we have of course been working very closely with the coal industry in trying to ensure maximum penetration of all available markets because, clearly, marketing is a key element. As well, we know that the individual coal operations are working very hard to bring down their operating costs as much as possible, to ensure that they are operating at the most efficient level.

Mr. Speaker, above and beyond that, we have in place a royalty system for coal, which is a profit-based royalty arrangement and which therefore takes into account the difficulties the coal industry might experience when economic times are more perilous. In fact, in relation to the McIntyre Mines situation, there have been some particular instances where even that profit-based system has been modified. It has a 5 per cent minimum. In the case of McIntyre, that 5 per cent minimum was removed for a period of time a couple of years ago. That arrangement has been put in place for other mines in the province that have faced similar difficulties.

Mr. Speaker, we are working very hard, with our industry, to maximize market opportunities. They are working hard to maximize their efficiency. We have a responsive royalty system and arrangement in place. And as the hon. member is aware, I will be travelling to central Canada next week, and one of the points of discussion will be the potential for increasing coal marketing in other parts of Canada.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the minister advise the Assembly whether a single contract was signed or negotiations furthered in any specific way between Alberta coal producers and the Far East market as a consequence of the Premier's trip?

MR. ZAOZIRNY: Mr. Speaker, I couldn't comment specifically on that, except to say that in my conversations with coal producers, they have expressed considerable appreciation for the added impetus that has been given to marketing prospects by the travel of our Premier to parts of the world that are coal purchasers.

Mr. Speaker, I should add as well that in respect of the Grande Cache/McIntyre Mines situation, in 1982 the government was requested to provide some assistance by way

of communication with the Japanese buyers. On another occasion, we did of course table in the House a letter that was directed by my predecessor, Mr. Leitch, to the Japanese purchasers. We believe that was a contributing factor to the continuation of the contract that is now being carried through at the Grande Cache operation.

MR. NOTLEY: Yes, interest but no contracts. Mr. Speaker, my question to the minister is: has the Department of Energy and Natural Resources or the government of Alberta commissioned any study to parallel the B.C. Hydro study which, without going into long details, seriously questions our ability to compete, especially with Australia, in the export market? Have we undertaken any studies to consider the challenge of new competition, from that country in particular but from several other countries, including South Africa, mentioned in the study?

MR. ZAOZIRNY: Mr. Speaker, I am heartened by the hon. member's newfound enthusiasm for the market place and the need to be competitive. [interjections] That certainly underscores all our activities as a government, because we recognize that one must compete in the market place. That kind of assessment is conducted on an ongoing basis.

Above and beyond that, Mr. Speaker, certainly some of the activities that have taken place recently — the opening of the Gregg River mine, with the excellent contractual arrangements entered into there with an equity participation by the buyer; and as well, the ongoing construction of the Obed Marsh operation — are perhaps the best evidence there could be that Alberta is and intends to continue to be competitive in the world market place.

MR. MARTIN: He didn't know about the study.

MR. NOTLEY: Mr. Speaker, I am delighted to see all this sophisticated research and study being done by the government. Will the minister offer to table, during this fall session of the Legislature, all the studies with respect to assessing Alberta's competitive position in relation to our major competitors in the international market place, particularly the Far East market?

MR. ZAOZIRNY: Mr. Speaker, the hon. member is asking that we table all our files. I know he may need occasional free reading from time to time. But in fairness, I am not talking about a specific document; I am talking about the process that goes on in this government to ensure that we are responding to the circumstances of the market place at all times.

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

MR. NOTLEY: No study; no question about that.

Mr. Speaker, I would like to ask the minister what particular assessment has been made, and whether it is his intention, when he meets with his Ontario counterpart next week, to review Ontario Hydro's potential for purchasing coal. In his response to the hon. Member for Edson, the minister seemed to accept the conclusion that Ontario Hydro was moving away from coal. In fact, that is a debatable point in Ontario. Will he make firm representation to the Ontario government that because of the risk of overreliance on nuclear power, the west has a case?

MR. ZAOZIRNY: Mr. Speaker, the approach of this government in all matters, including marketing, is not to knock the other approaches but to emphasize the positive. We think

there are considerable positives in terms of western Canadian coal. That will of course be part and parcel of the dialogue we're going to have. We're going to explore what potentialities there are, the obstacles and hurdles that would have to be overcome to expand the sales, and we're going to do it in a reasoned and realistic way.

Red Meat Stabilization Agreement

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Agriculture is with regard to the red meat stabilization plan. Could the minister indicate what agreement was reached with the other three provinces of Canada?

MR. FJORDBOTTEN: Mr. Speaker, we made significant progress, in that we now have agreement in principle between the federal government, the province of Ontario, the province of Saskatchewan, and the province of Alberta on a red meat stabilization plan that would cover the three commodities of cow-calf, slaughter cattle, and the lamb and pork sector. That agreement that has been reached in principle has now gone to the national producer organizations that represent those commodities, for their input.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. When will the minister be presenting the Alberta position to cabinet for approval, or has that been done already?

MR. FJORDBOTTEN: Mr. Speaker, not all the details of the plan are totally worked out, the dollar amounts and the numbers of livestock per producer that would be covered. But the agreement in principle, that I agreed to at the meeting in Ottawa this past Monday, was indeed the position of this government.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Based on the position of the Alberta Cattle Feeders Association, the Western Stock Growers' [Association], and the Alberta cattlemen's association, that rejected subsidies for fat cattle, could the minister indicate whether these organizations will have the opportunity for further input? Or has the position of the government negated the possibility of further input or any influence on the present government policy?

MR. FJORDBOTTEN: No, Mr. Speaker. The commodity groups will definitely have the opportunity to study and make their recommendations. Before we could go to the commodity groups, the agreement had to be reached among the participating provinces and the federal government, and that has been done. Of course, the position has always been that we would rather there not have to be a stabilization program. But with the balkanization and proliferation of programs that are across this country, I believe there will be agreement on the stabilization plan by all the commodity sectors.

MR. R. SPEAKER: Mr. Speaker, a supplementary. The government of Quebec is not a partner to the agreement. Could the minister indicate what effect that will have, in terms of equity in the market place of Canada?

MR. SPEAKER: It would seem to me that's a question of both research and opinion. I don't know whether there are any facts that could be briefly adduced in answer to the question. I must leave that to the hon. minister.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate one of the reasons Quebec is not

a partner to this agreement, in light of the fact that one of the basic concerns to producers is the inequity in the market place created by subsidies provided by the Quebec government?

MR. FJORDBOTTEN: Mr. Speaker, that certainly is a concern, and the Quebec government was represented at the meetings in Ottawa by two department representatives.

The Quebec government has the position that they wish to be in on stabilization, but they also wish to top load above it. The basics of the program would allow no top loading to take place by any provincial government. Quebec was at the meetings. They will have the opportunity in the future to phase into this program, but they must do it with the recognition that they must phase out of what they presently have. That is also the case with Manitoba, who originally signed the four-province agreement that we presented to the federal government, but wasn't able to be at the meeting because of short notice. We anticipate that they also will be included.

MR. R. SPEAKER: Mr. Speaker, could the minister indicate any reasons or difficulties at this point in time, in terms of the Alberta producer or the Alberta government's position, which may still lead to rejection of this red meat stabilization plan for at least the three provinces, and potentially for Canada?

MR. FJORDBOTTEN: Mr. Speaker, I really don't anticipate any problems, because it is not the government position. The present agreement that has been reached was worked out with the commodity groups — the Canadian cattle commission, the pork industry, and also the lamb industry — and this was put forth. At this point, I don't see any real problem on the horizon.

The only question I have in my mind is, how many provinces would actually have to participate to consider it truly a national program? That could be one of the areas that I have some concern in. But as far as the rest of the program is concerned, I think it's an excellent program and will be welcomed by the producers. I don't anticipate any problem in that area.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The Canadian Cattlemen's Association says that this plan will stop government intervention in the market place. Some of the Alberta associations disagree. Will this be one of the items of discussion by the minister at a meeting, which should be held fairly shortly — I understand tomorrow — with the various associations here in Alberta?

MR. FJORDBOTTEN: Mr. Speaker, I'm firmly convinced that one of the problems in this industry is all the government tinkering that has taken place. With the arrangement that has been worked out, I feel confident that if it doesn't eliminate government tinkering, it certainly is going to make it extremely difficult. I might share with the Assembly that the contributions to the fund by both levels of government can really not exceed 6 per cent of the cash receipts received by participating producers. So there is that cap there, and it would preclude any further tinkering after the agreement is signed.

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

DR. BUCK: Mr. Speaker, in that case, I will sort of get two in one. Can the minister indicate, or does he have any information that he can give the Assembly as to how dramatic the decrease has been in red meat production and in which area it has been most dramatic?

MR. FJORDBOTTEN: Mr. Speaker, I don't have the numbers in the cattle industry before me right now or in my mind, but I know we have a significant decrease in hogs. For example, if I recall, in 1972 there were 2 million hogs slaughtered in [Alberta], out of the 10 million total slaughtered in Canada. In 1982, there were 1.5 million hogs slaughtered in Alberta, out of a Canadian total of 12.5 million. So there certainly has been a decrease in that area. As for the livestock area, I just don't have those numbers.

DR. BUCK: Just a very short supplementary. I don't need the numbers, Mr. Minister. Has there been quite a dramatic decrease or no decrease or a significant increase — just ballpark figures?

MR. FJORDBOTTEN: Mr. Speaker, I don't believe there has been a decrease in the cattle numbers in western Canada. That's one of the areas that I have great concern for in a program that would be established. We have a very distinct natural advantage in western Canada, with our significant grass and our open range, so I believe that bodes well for maintaining our livestock numbers in the future.

Metric Conversion

MR. SZWENDER: Mr. Speaker, my question is directed to the minister responsible for metric conversion, and it deals with the recent Ontario provincial court decision on the unconstitutionality of forced metric conversion. Could the minister indicate whether the metric conversion branch of his department is still carrying out the work of compulsory conversion to the metric system?

MR. CHAMBERS: Mr. Speaker, as the member knows, for some years that part of the department has been working on the process of metric conversion, which is of course a national effort. I could say that the work of the department is probably nearing completion, in that most sectors have either converted by now or at least have target dates for conversion.

With regard to the first point the member made, I'm aware of that decision but have no assessment of it. My colleague the Attorney General may wish to supplement my answer.

MR. SZWENDER: A supplementary, Mr. Speaker. To be clear, is the minister indicating that the process of metrication has been completed in Alberta?

MR. CHAMBERS: Mr. Speaker, I hope I didn't say that. I said that many areas have been converted, and most other sectors have a target date for conversion. So the actual hard-core work, if you like, of the metric branch is winding down, essentially approaching completion.

MR. SZWENDER: A supplementary, Mr. Speaker, to the Attorney General. Could the minister indicate if there are presently any court cases involving prosecution of Albertans by the federal government for not complying with metrication laws?

MR. CRAWFORD: Mr. Speaker, I'm not aware of any. If I might make a brief remark, because of the earlier question in respect of the Ontario case, it is clear that the decision of the Ontario Provincial Court is not a binding legal precedent in Ontario or elsewhere. My understanding of it is that it related to a specific charge under the federal Weights and Measures Act. A judge made a finding that, based on the way in which

the charge was presented and the wording of that particular legislation at the present time, the charge should be dismissed.

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

MR. SZWENDER: A supplementary, Mr. Speaker, to the Minister of Recreation and Parks. Would the minister give this House assurances that there will be no conversion of football fields in this province to the metric system, something which happened in Manitoba.

MR. TRYNCHY: Mr. Speaker, I don't know if I have that jurisdiction. But if I do, I can assure the hon. member that we won't change to metric.

MR. SPEAKER: Perhaps it could be considered for a day, and we'll see what happens with it tomorrow.

Kananaskis Park — Golf Course

MR. THOMPSON: Mr. Speaker, my question is also to the Minister of Recreation and Parks. Could the minister inform the House how many people have been turned away from the Kananaskis golf course during 1983 for the reasons alluded to by the Member for Little Bow during the trust fund estimates?

DR. BUCK: Put it on the Order Paper.

MR. R. SPEAKER: Mr. Speaker, on a point of order. I know that you were busy at your desk and didn't notice the question that was being asked.

MR. SPEAKER: Yes I did. He asked for the number who'd been turned away from the golf course.

MR. R. SPEAKER: But the phrase at the end was controversial. [interjections] I have a number and he may have a number, and we'd want to have some time to debate that. So I'd like you to consider that, Mr. Speaker.

MR. SPEAKER: Well, I'm happy to consider it. But I also have to remember that there have been a number of questions, even this week, which had quite controversial endings. In fact, there have been occasions where the question was complete and a gratuitous barb was added at the end and, notwithstanding that some people might think otherwise, I did not intervene. However, if this is going to be a growing sensitivity on the part of the hon. Member for Little Bow, I'll be watching it with interest.

MR. TRYNCHY: In response to the hon. Member for Cardston, on October 24, as recorded on page 1446 of *Hansard*, the Member for Little Bow did indeed state that some of his constituents were refused entrance to the golf course. I asked the hon. Member for Little Bow to supply me with some names, and so far I've received none.

MR. R. SPEAKER: It's coming.

MR. TRYNCHY: But I did try to check this out, because I wanted to have the facts before me. Yesterday I received a reply from the golf course. The management informs me that no one — not one person — was turned away because of wearing blue jeans. As a matter of fact, Mr. Speaker, the management provided some 50 pairs of trousers for those who

wanted to golf if they weren't properly attired. It's my information that the company is now short some 25 of the trousers they were entrusted with during their golf games. So it looks to me like the users of the golf course really enjoyed the privileges of the operators.

MR. THOMPSON: Are there any changes contemplated in the dress code for the 1984 season and, if so, what are they?

MR. TRYNCHY: Mr. Speaker, today I tabled the dress code for the past golf season, which is now over. In talking to the management, it's my understanding that there will be some modifications before 1984. I hope to have a copy for every member of this House as soon as the 1984 dress code is here.

MR. THOMPSON: Another supplemental, Mr. Speaker. Next year will there be an opportunity for golfers who appear at the course to play without having a prior reservation for tee time?

MR. TRYNCHY: Mr. Speaker, this year we didn't have the total course in operation. It's my understanding that next year at least 18 holes will be available for daily play to those that come. I'm sure the management will see that those who come at any time will be able to play on a first come, first served basis.

MR. COOK: A supplementary question, Mr. Speaker. I wonder if the hon. minister would consider contacting the Member for Little Bow and asking him for the names of the people that were turned away, so we get our pants back? [interjections]

MR. SPEAKER: The hon. Member for Calgary Currie, followed by the hon. Member for Calgary North Hill.

DR. BUCK: Are they supplementary questions, or are they new questions?

MR. SPEAKER: We're starting to run out of time.

DR. BUCK: I just wanted to know if he had any excess sand, so I could put it in the golf course I'm building on the cheap for the poor people.

MR. SPEAKER: [Inaudible] other places to put sand.

Sunday Observance

MR. ANDERSON: Mr. Speaker, my question is to the hon. Attorney General. In light of the just-announced court judgment that indicates that the Lord's Day Act contravenes the federal Charter of Rights, is the Attorney General now prepared to abandon his attempts to strengthen the legislation that requires the closing of stores and other establishments in the province of Alberta?

MR. CRAWFORD: Mr. Speaker, the Alberta Court of Appeal decision with respect to the Lord's Day Act would not interpret the principles involved in provincial legislation, if any is enacted, which would be directed at the regulation of Sundays and holidays.

MR. NOTLEY: It would be notwithstanding, Dennis.

MR. ANDERSON: Mr. Speaker, a further question. Is the Attorney General indicating that the substance of the decision

would not in fact preclude further legislation on the part of the province of Alberta?

MR. SPEAKER: I have difficulty with this one. As I understand it, the decision is not here yet. [interjection] It is? In that event, that brings up my second difficulty; that is, the hon. member is asking the Attorney General to interpret in this House, in the question period, a decision by the Court of Appeal. It seems to me that also is something a solicitor might do.

MR. ANDERSON: Mr. Speaker, perhaps I could reword my supplementary. Is the Attorney General still contemplating legislation that would in fact further restrict the opening of establishments in Alberta on Sundays?

MR. CRAWFORD: Mr. Speaker, there are two issues involved in the question. As hon. members know, other than in my capacity as a representative of a constituency, at this point I am not advocating that particular legislation. In other words, there is before the Assembly no government measure dealing with the question of regulation of Sundays or holidays. The related matter is that the decision that has been given in respect of federal legislation will be reviewed, and consideration will be given to a further appeal of that decision, to the Supreme Court of Canada.

MR. ANDERSON: Mr. Speaker, one final supplementary to the Attorney General. Can he indicate when a decision might be made with respect to a possible appeal of that sort?

MR. CRAWFORD: Mr. Speaker, lawyers doing legal opinions always work with great speed and certainty. Therefore the truth of the matter is that I don't know when we'll be done, but an estimate of less than four weeks would seem to be fair.

Ski Sponsorship

MR. OMAN: Mr. Speaker, my question is addressed to the hon. Minister of Recreation and Parks. Recently the Canadian Ski [Association] announced that it was entering into a sponsorship from a tobacco company for its activities. Steve Podborski and a group of skiers have indicated that in that case they would not participate under the Canadian Ski [Association] banner, which I think was a commendable stance. Would the minister consider, perhaps on behalf of the government, writing a letter of commendation to Mr. Podborski on this behalf?

MR. TRYNCHY: Mr. Speaker, I don't know just what jurisdiction I have in regard to that; maybe I should light up on this one. I'd like to commend the gentleman for his stand on principles, and I think that's as far as I'd like to go. A letter probably would be sufficient. Being a non-smoker, I might do that.

MR. SPEAKER: I wouldn't want this question that was just asked to be taken as a sound precedent for future questions, because there is a limitation on questions relating to matters that can be taken up directly with a minister; however, it has been done.

Sexual Assault Examinations

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Attorney General. It has to do with the unfortunate performance of physicians at the Wetaskiwin hospital in the recent sexual assault case. Has the Attorney General undertaken a review of the extent to which medical examinations in some

cases of sexual assault have been denied in recent months? Specifically, how widespread is the practice in the province?

MR. CRAWFORD: Mr. Speaker, I think it's important to determine how widespread that practice of doctors refusing to conduct examinations of victims of sexual assault cases is in the province. My understanding is that that is presently under consideration by the College of Physicians and Surgeons. That would be the appropriate agency to examine it and respond to the members of the medical profession under the heading of the professional ethics and professional conduct of doctors involved in those situations.

Perhaps it is useful if I briefly note, Mr. Speaker, that it is unlikely that the practice is at all widespread and that what we have seen recently are isolated incidents. I make one further reference to that. I think people may be assured that in the two major centres in Alberta, a well-coordinated and efficient system exists where there is consultation and co-operation between the police forces, the hospitals, and the medical staffs.

MR. MARTIN: A supplementary question to the minister. Does the Attorney General have any reasons advanced as to why it was a widespread occurrence in the Wetaskiwin and Ponoka areas?

MR. CRAWFORD: Mr. Speaker, I have no knowledge of the reasons it would have occurred in the recent cases discussed. Once again, I think that when the College of Physicians and Surgeons has determined its course of inquiring into that, they will be able to ascertain information of that type.

MR. MARTIN: A supplementary question. Is the Attorney General aware of whether or not there is any requirement that doctors assist police in the course of their investigations?

MR. CRAWFORD: Mr. Speaker, I think the principal duty would be well known to everyone; that is, the duty of a doctor to his patient. Beyond that, there is the likelihood that if a medical or a physical examination is carried out, directed at finding out certain particulars of a victim's condition, that that will end up being used in a prosecution. The best way to achieve that is to have advance consultation on an extensive, overall basis so that hospitals, in particular emergency wards, and medical staffs and the police are all of the same understanding as to the type of information that may become evidence in any case where charges are subsequently laid.

MR. MARTIN: A supplementary question, Mr. Speaker. Will the Attorney General review the advisability of laying charges of obstruction of justice in cases where doctors do not assist the RCMP?

MR. CRAWFORD: Mr. Speaker, I think it would be unusual if that particular charge came up in such a circumstance. It could depend upon the individual circumstances of a case. Given the fact that the law is that a professional person has no legal responsibility to see any particular client or patient but has only a professional-conduct responsibility, then it's unlikely to be a matter that would involve the criminal law.

MR. MARTIN: A supplementary.

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

MR. MARTIN: Then a supplementary to the Minister of Social Services and Community Health. The Edmonton Sexual

Assault Centre has reported that incidents of sexual abuse of children in this city increased some 400 per cent in the first seven months of 1983 over the same period in 1982. My question is, what specific action has the government undertaken to attempt to reduce the alarming increase in incidents of sexual abuse of children?

DR. WEBBER: Mr. Speaker, in terms of the number of calls that are coming in to different lines across the province, I think generally it's correct to say that there has been an increase in the number of calls.

In terms of dealing with victims of sexual assault, there are a number of programs available throughout the province, through family and community support services, counselling of victims. However, in terms of any solution to the problem, I think it has to be looked at from the perspective of a long-term solution, in much the same way that all kinds of family violence needs to be examined. I think that in the long term, probably the only way that can be accomplished is through our educational system. In the short term, however, I think we do have to provide facilities and programs to deal with the victims of these crimes.

DR. REID: A supplementary to either the Minister of Hospitals and Medical Care or the Attorney General. In view of the nature of the evidence that's required to successfully prosecute rape cases and that has to be obtained by physicians, has either department ensured that there is a suitable protocol and that supplies are distributed to all hospitals in the province?

MR. CRAWFORD: Mr. Speaker, there is an established procedure which is well known to medical staffs and to the police throughout the province. It is particularly well established in the two metropolitan centres.

What can happen is that given a small detachment of police and given a small rural hospital, the possibility always exists that the arrangements have not been recently reviewed and the procedures and practices fully understood by all the interested parties. The assurance that I seek is that through the assistant commissioner of the RCMP, we are assured that all of the smaller detachments in rural areas are updated on this important subject. That process would solve the type of problem that has recently occurred.

MR. SPEAKER: The hon. leader of the Independents; then the hon. Minister of Agriculture wishes to deal further with a previous question period topic.

Water Quality — Bow River

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of the Environment is with regard to the Bow River and a meeting the minister will hold in Brooks tomorrow, as I understand it. Can the minister indicate whether, at that meeting, an outline as to a long- or short-term plan to eliminate or reduce the pollution in the Bow River will be provided for the people who represent the Bow River water users' association?

MR. BRADLEY: Mr. Speaker, the purpose of the meeting is to receive representations from the group the hon. member has indicated I will be meeting with.

Red Meat Stabilization Agreement (continued)

MR. FJORDBOTTEN: Mr. Speaker, in answer to a question from the hon. Member for Clover Bar on our beef numbers, the indication I have is that according to the 1981 census, about 40 per cent of the national cow herd was in Alberta. In the

1982 market review, just under 45 per cent of the slaughter cattle in Canada were in the province of Alberta.

I might add that the slaughter numbers we have indications of in the first nine months of this year are just about exactly the same as the previous year. The amount of beef produced, however, was significantly up because of the higher carcass weights on slaughter and heifers.

MR. R. SPEAKER: Mr. Speaker, to the Minister of Agriculture, in terms of not answering a question. Will the minister be meeting with the producer associations tomorrow and early next week with regard to this red meat stabilization plan?

MR. FJORDBOTTEN: Yes, Mr. Speaker. I've had some consultation with them already. However, it was important in the context of the meeting that the national commodity group, the Canadian cattle commission, for example, would contact all of the organizations across the country and have discussions with them so that we could further develop the program. So even though I've had some discussions with some of the organizations, I will continue to do that. It is a tripartite agreement: one-third the federal government, one-third the provinces, and one-third the producers. So the producer organizations, individually and collectively, are very, very important. Before a final decision is made, their input is vital.

ORDERS OF THE DAY

head: WRITTEN QUESTIONS

CLERK ASSISTANT: Question 203: Mr. Notley.

MR. NOTLEY: On Question 203, there were several minor typing errors with respect to codes when the question was presented. I wonder if I could have permission of the House to withdraw that, recast it, and submit it again. There are just several technical errors, but we might as well ...

MR. SPEAKER: As I understand it, it's not a motion. The hon. member has a right to withdraw it if he wishes. In fact, even if it were a motion and hadn't been put, he might withdraw it if he wished.

head: MOTIONS FOR RETURNS

MR. CRAWFORD: Mr. Speaker, I would like to move that motions for returns 209, 210, and 214 stand.

[Motion carried]

207. Mr. R. Speaker moved that an order of the Assembly do issue for a return showing:

- (1) The number of buildings that have been constructed under the senior citizens' self-contained unit housing program, indicating for each project
 - (a) the location,
 - (b) the unit size,
 - (c) the current occupancy rate.
- (2) The location and unit size of each project under this program presently under construction.
- (3) The location and unit size of each project under this program on which construction will commence during the current fiscal year.

MR. SHABEN: Mr. Speaker, I'd like to propose an amendment to Motion 207. I'd like to propose that the word "unit" be removed from part (1) of the question and, under (b), substitute "number of units" for "unit size". In part (2) of the question, substitute "number of units" for "unit size". In part (3) of the question, substitute "number of units in" and, for the word "will", substitute "is proposed to".

[Motion as amended carried]

212. Mr. Martin moved that an order of the Assembly do issue for a return showing copies of all reports and recommendations prepared by the Fédération Internationale de Ski (FIS) and/or the Canadian Ski Association in the possession of the government or any of its departments or agencies concerning the use of Mount Allan for the 1988 Winter Olympics.

MR. ADAIR: Mr. Speaker, in relation to Motion No. 212, I'd like to propose the following amendment. Following the words "1988 Winter Olympics", add:

subject to obtaining written permission from the Calgary Organizing Committee, the Fédération Internationale de Ski and the Canadian Ski Association.

I think it's important to approve the amendment as the Olympic Games Organizing Committee is responsible for the site selection and for obtaining the various approvals from the international Olympic authorities.

[Motion as amended carried]

213. On behalf of Dr. Buck, Mr. R. Speaker moved that an order of the Assembly do issue for a return showing:
- (1) each of the 14 provincial parks in the west central region,
 - (2) each of the 18 provincial parks in the east central region,
 - (3) each of the 12 provincial parks in the northern region,
 - (4) each of the 3 provincial parks in the Kananaskis,
 - (5) each of the 14 provincial parks in the southern region,
- from May 21, 1983, until September 5, 1983.

[Motion carried]

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

205. Moved by Mrs. Cripps:

Be it resolved that the Assembly urge the government to give consideration to amending the Municipal Taxation Act to allow for a minimum tax on all rural residential parcels and farmsteads to cover municipal costs on a more equitable basis, and that the property tax reduction program grant become effective over and above that minimum amount.

[Adjourned debate April 12: Mr. Batiuk]

MR. BATIUK: Mr. Speaker, it's a real pleasure to speak and support this motion. For many years there have been changes in legislation on taxation and assessment. No doubt every time there was a change, it may have helped in one area but it never resolved the problem. For far too long individuals have been evading taxation, particularly when there was only a land assessment in the counties. There were many people who resided on a small portion of land, had a home, looked for all the services, and contributed next to nothing in taxation.

I know we, including myself, do not like taxes. But tax money is a necessity to provide the many services in rural

Alberta. Upgrading roads: there is a continuous demand on the county councils, whether to upgrade, regrade, or gravel roads. Now there's more and more demand for dust control or even paving. Drainage is coming into effect more and more, because people are realizing, because of taxation, that they want to use every bit of land they may have available. The agricultural service boards in this province have done a tremendously good job over many years, and that too costs a certain amount, which taxes have to provide.

Road maintenance must be carried out on a continual basis. Snowploughing, which again costs a great deal in the rural areas, is a must continuously. Some years ago people walked or used their horses, but now many people cannot get by for one day without being able to use the roads. When a storm comes, everybody asks for snowplough services, and it's a very costly venture.

Furthermore, there is the education sector of that. Some years ago the demands on the school maybe weren't as great as they now are. The school foundation program, particularly, used to cover the entire cost of school transportation. Some years ago the School Act provided that no child should walk more than three and a half miles to a school or a bus. That has been changing over the years. It was reduced from three and a half to three, then two and a half, and so forth, and for a number of years now, many jurisdictions have given not only gate service but actually yard service. So this is a big additional cost to the counties.

In the many years that I have served on the school board, municipal district, and as county councillor, I have noticed that very many individuals on small parcels of land are evading taxation. There have been changes. I know there was one change in the assessment Act, that if a person had 20 acres of land and could show that he derived a net benefit comparable to that of a senior citizen's pension, he could be considered a bona fide farmer. We know very well that under general farming nobody can make a livelihood on 20 acres. But if a person has a couple of pedigree ponies, he can sell one pony for as much as \$10,000, \$15,000, or \$20,000, and his income would show that he could be classed as a bona fide farmer.

There has been a new tax assessment Act, and again that has come because of requests from the Alberta Association of Municipal Districts and Counties. Over the years they have been requesting that maybe farm homes should be assessed. Maybe that wouldn't be too bad an idea. But there has been legislation passed with a new assessment, and that reversed from one extreme to the other. Anybody who is a bona fide farmer and has a home of 1,200 square feet or more, is assessed on the additional over the 1,200 square feet. I think it's very unjust. A 1,200 square foot home may be all right for a family of three or four, but there are some families — not many, maybe — with six children. I believe a house of 1,200 square feet with six growing children is smaller than necessary, so I can't see why this family should be penalized by having an additional tax on the house.

Further, I have noticed over the years that there are people living in small subdivisions and on small pieces of land that they themselves may not even be working. But these have been an added supplement to the community. Many of them participate in local organizations, and they increase the school enrolment, which is very greatly looked for in the rural areas, particularly where the population has declined. I think we have to see that everybody pays their share for the services.

One area that is hard for me to accept is the assessment of farm home residences. In the town it is different. They have a sidewalk provided for them, they have fire and police protection, and they have street lights. If anybody in the rural area

wants to have a light in his yard, at present he has to contribute about \$17 per month. What about natural gas? In the town it's provided right to your residence. Rural people have to pay \$3,000, \$4,000, or maybe even more to have gas to their homes. In the towns, water and sewer are brought to your property. In rural areas you would have to spend \$4,000, \$5,000, \$6,000, and maybe even more if you needed a good well to provide those services.

So this is the situation. I can see that there really isn't much reason for taxing homes when there are no services to the homes. If there were a minimum tax, I would think that anybody, regardless of whether he has three, five, or 160 acres, who has a home on there, should pay a minimum tax. His tax should be comparable to that of his neighbor, who lives across the road and has a quarter section of land and a comparable house. I think they should both pay likewise, whether he is farming or not. After that, the more land you have, you would pay so much more. I cannot see that a person has to be a bona fide farmer to be able to get some of the benefits. Nowadays we try to encourage retaining the family farm, yet if many of these farmers would not be able to supplement their income, they wouldn't be able to continue staying on their farms.

I have mentioned that there have been cases throughout the province, and some of the counties that had their new assessments had more complaints than anybody would like to have. We see that you may now have quarter sections subdivided into 80 acres. That may be all right, but no person can make a livelihood on 80 acres of land. Yet you see that in the taxation you can assess three acres of non-farm land, but can't break it away on separate title. So here again, I think that maybe this is not . . .

I would like to go back to a large portion of the county that I represent, and that's the county of Lamont. I have a clipping from one of the papers, Mr. Speaker.

Angry county taxpayers have taken a stand against sudden steep rises in property assessments . . . that could sweep the province.

Nearly 600 farmers and acreage owners jammed the Lamont recreation centre . . . to demand the county council reconsider . . . Some [taxes] have risen 5,000 per cent.

I would also like to mention that this year, the county of Barrhead is planning to bring a resolution before the annual meeting of the Alberta Association of Municipal Districts and Counties. I will just read a few lines of this resolution, Mr. Speaker, to give an indication to hon. members. Here again, it's on minimum property tax on residential properties. It says:

WHEREAS, many residential property owners pay no or very little taxes on their property, after the Alberta Property Tax Reduction and Minimum Benefits have applied, and;

WHEREAS, the same property owners demand the services of municipal, school, hospital and other, and;

WHEREAS, even when the new assessment on farm residences has been applied under the provisions of the 1979 Assessment Manual, many are totally exempted from paying taxes . . .

Here is a good suggestion, because it's a figure that I have to use, and that the county of Barrhead is using. It says:

THEREFORE BE IT RESOLVED that the Provincial Government be requested to amend the Municipal Taxation Act . . . to provide for the imposition of a minimum tax of at least \$400.00 on each residential unit on which an occupied residence is located or used in conjunction with the land on which the residence is located.

There is more, Mr. Speaker, but I don't want to go on. It seems that this may be the only solution.

I have here the *Elk Island Triangle* from November 4, 1981: "County taxpayers to unite". Here again, "A group of 200 unhappy taxpayers from the County of Lamont met in the Chipman Curling Arena" to discuss taxation. I've got a very important piece from the *Elk Island Triangle* of August 25, 1982: a two-page ad which reads: "Who are the County councillors working for??" There's a picture of five turkeys on the top, and the county of Lamont has five councillors, so it shows very well what they're referring to. This ad was put in and paid for by Matheson & Company, Barrister, Solicitors, and Notaries Public, a firm of 11 lawyers. It is signed, Robert S. Matheson, with a copy to Mr. Neil Deck, Chipman, Alberta. Mr. Deck was the chairman of their committee on this tax protest. Because of his dissatisfaction, I presume, he tried for the nomination of the separatist party; he failed. Recently he defeated the reeve of the county of Lamont in an election.

I think a message is coming in that the people are dissatisfied with this system of assessment and taxation. I feel that we should take a look at it, because there are a lot of people that are being hurt when they're so much against it. I don't think we as legislators should be biased one way or the other as to who should pay more, but I think we should work as closely as possible to provide by taxation the funds that the people throughout the province need. I know that there'll be many, many more. I guess Lamont was one of the first counties being assessed. It was close to Edmonton, and it was used as an example. But I am sure there will be these tax protests all over the province, Mr. Speaker, so I would urge all hon. members to support this motion.

Thank you.

MR. ALGER: Mr. Speaker, the hon. Member for Drayton Valley should be commended for putting Motion 205 before the Assembly. I think that at this point I'd like to toss a bouquet her way, if I could, in view of the fact that while I was in the field-superintending business in the well-servicing game — it was some time before I realized this building even existed — I met the hon. Member for Drayton Valley in 1979 under the guise of needing some style of provincial help, for the simple reason that we couldn't get over the roads in that or any other area because it seemed that we were overweight all the time. This young lady went to bat for us and changed that whole resolution around. I'm proud and happy to stand in front of the Assembly today to try to help her, this time in the House, change this resolution around.

AN HON. MEMBER: Chivalry isn't dead.

MR. ALGER: Mr. Speaker, the old saying goes that there is nothing more certain than death and taxes. Yet the inevitability of taxes does not mean that we shouldn't bother to understand what is being done and see if there aren't manners in which it can be improved. Beat the tax man: that seems to be the name of the game. The reason I'm on my feet is to help alleviate that problem for the minister. For many years now, there has been a great deal of concern with regard to an equitable municipal taxation system. Farm organizations, ratepayers, municipal districts, and other interested agencies have expressed opinions as to how municipal taxation should be carried out.

Much of the problem lies in the assessment process and the assessment base for rural Alberta municipalities. Portions of the assessment system have become antiquated, dating as far back as 1905, when this area became a province. No major changes in the assessment have been made since 1960. That seems astonishing to me. That's 23 long years since anybody's even had a good look at this. I think I'm wrong on that; I think

we've looked, but we haven't done much about it. Consequently, the whole system needs to be closely scrutinized since it does not truly reflect property values or the tax burden of today's society. In fact, my area of Highwood seems to me to be the most inequitable assessment area in all of Alberta.

Changes in the assessment of property will of course result in changes in taxation. One alternative may be to more strictly define and regulate rural agricultural land. In my constituency, municipal taxes in Foothills municipality No. 31 have increased dramatically, increasing for some over 50 per cent last year alone. I'd have to say that not just some but practically every soul there was increased by at least 50 per cent. The dickens of it is, Mr. Speaker, that some people went from \$100 to \$4,000, others of us went from \$2,000 to \$3,000, and so forth, but there was an awful inequality in the taxation system. John Batiuk, if you think you have an exclusive on having trouble in Lamont, you should have been at some of the fist fights I attended at Red Deer Lake and places like that while we tried to resolve this problem.

As a matter of fact, most of you recall that one day I asked: what will we do for water when the well goes dry? Fellows were up there on their feet, pounding the desks and saying: the well is dry; there is no place to go for further money for these high taxes. Many solutions are available to rectify this spiralling taxation, but we must be careful not to overlook the loopholes that prevail in the system today, because the guy that wants to beat the tax man will surely be looking for ways to do it.

The inequality in Alberta's municipal tax system arises from the fact that all rural residents are not treated alike or fairly. In Alberta, unlike many other provinces, farm dwellings and buildings are not assessed. Farmland is assessed at a much lower rate than its market value would dictate. Therefore, discrepancies are created, even though all residences may be receiving exactly the same services. That is neither fair nor equitable.

Don't get me wrong; I do not think that farmers should be forced to pay a higher tax rate. Farmers always have to adjust to fluctuating markets, costly equipment, and unpredictable weather. They've had better luck with the weather this fall than before, but that has altogether nothing to do with the taxes. Farmers do not get enough money for their produce now, and increasing their taxes by any substantial amount will only result in increases to the consumer or decreases to his own income. I have nothing against helping the farmer, but I am certain that most farmers would be willing to have some changes made to the way their land is assessed.

Mr. Speaker, the alternatives are endless. Farm residences and a reasonable amount of land around them could be assessed the same as other residential property, but basic exemptions made for farm buildings should be equal to the value of the land on which they sit. Farmland with increased value due to the proximity of urban or recreational developments could be assessed as agricultural land but perhaps at a higher scale, since it has the advantages of a nearby market and a potentially higher resale value. That should not leave our thoughts when we are discussing these things. If, for example, agricultural land is converted for other uses, why not have the owners pay the municipality the difference in taxes in what could have been collected in, say, the last two or three years? That would be hard to impose, but I'm sure it's a good thought.

I'd like to take this opportunity to pass on to the Assembly the results of a recent meeting with regard to municipal taxation that I attended in my constituency. The meeting was well attended, and representatives of various types of taxpayers were there. There was a consensus that the assessment structure should be changed so that the tax burden is more evenly dis-

tributed. Everyone, including the farmers, felt that it was only fair that all people should pay taxes on their residences. The only assurance the farmers wanted was that it would not be the beginning of the end; that initiating taxes on farm residences would not result in increased taxes on farmland or on farm buildings. It would also be nice if we could assure all taxpayers, especially farmers, that no large tax increases would be in the works. In short, we could get this into a more equitable situation so that nobody would be hurt very badly at any given time.

Mr. Speaker, my constituency is made up of a wide range of taxpayers: oil men, farmers, ranchers, businessmen, and acreage owners. The present tax system must be altered to allow a more even distribution of the tax burden among these various groups. Minimum standards, such as the taxing of all residences no matter where they are situated, would be an important first step in bringing about equality and fairness to an outdated and unjust tax system. However, we cannot allow the present system to tax some people to death while others, under the guise of being farmers, get away scot-free.

I've spoken to this motion in rather general terms, Mr. Speaker, in view of the fact that if I discussed it with you by citing all the examples I've been exposed to this last year, we'd be here for a long, long time. There's no doubt that we decision-makers have a real project on our hands with this one. My sincerest hope is that we can come to an equitable solution and decision, and get behind our Minister of Municipal Affairs to help him put it across to the good people of this province. I therefore strongly urge the Assembly to support this motion.

MR. KOWALSKI: Mr. Speaker, I would like to participate in the debate on Motion 205 with respect to property tax reform in the province of Alberta. In doing so, I would like to commend the Member for Drayton Valley for taking the initiative to bring this motion before all members of the Legislative Assembly, and to congratulate both of my colleagues who spoke earlier this afternoon — the Member for Vegreville and the now dynamic Member for Highwood, who was rather emphatic about his comments.

Mr. Speaker, I think it's important that all of us appreciate — and I think most people in Alberta do — that any tax must not only be levied fairly, it must appear to be done fairly. In every sense, all people have to feel that they have not been taken advantage of and have not been abused in the taxation system. It's also very important for all of us to recognize that taxation policy decisions are influenced as much by political realities as by any other reason. For that basic reason I want to once again commend the Member for Drayton Valley for bringing this motion to the attention of the Assembly.

I think that we have an anomaly: we have an unfortunate situation that does not provide for fairness and equity throughout the province of Alberta. Certainly if all members of the Assembly recall the events of the last number of years, in terms of the emergence of ratepayer associations and the happenings at many meetings, with questions directed to a variety of municipal councils on the whole question of fairness and equity with respect to property taxation, there is a problem that we have to address and be concerned about.

The best reading I have with respect to the municipalities that I have the good fortune to represent is that there tends to be between 10 and 12 per cent of the property owners within each of those municipalities who, for a variety of reasons, do not pay property tax. Many of them are fairly well-to-do from an economic point of view. There is really no simple way of saying who is to be ruled out or who is to be ruled in. There are a number of definitions that appear to apply. If you somehow get yourself defined as a farmer and have an income that's

roughly equivalent to that received by a senior citizen, you can somehow find yourself exempted from paying your fair share of property taxes. It's quite regrettable when you have two neighbors, one sitting on one side of the road, totally concerned with agricultural endeavors, and one sitting on another side of the road who has another form of income but because he or she claims to have a minimum amount of farm income, they find themselves categorized as bona fide farmers and exempted from paying property taxes.

The important thing that we also have to recognize and remember is that property taxes are raised by a municipality to provide services. There are a wide variety of services that our local municipalities provide on a regular, ongoing basis. All too often I think that we accept that municipalities perhaps do not pay a great amount of funding into them because of some very rich provincial government programs that assist municipalities in that regard. But if you look at the whole question of protection in rural Alberta, transportation, environmental health, environmental development, recreation, community services, and education, while it is very true that the province of Alberta provides very, very rich amounts of dollars to help local municipalities, in all cases there is provision for local government to also pay a certain percentage.

When local citizens meet with one another in the coffee shop or at their local community social function on the weekend and start comparing taxation notices and one says that because of the richness of the property tax rebates we have in the province of Alberta, he in fact does not have to pay any property taxes, and another neighbor pays perhaps \$700, \$800, \$900, \$1,000, or more in terms of property taxes, you can rest assured that there is some element of confusion and rivalry. It then translates into anger that is directed, first of all, to the local municipal councillor. It eventually comes to the desk of the local M.L.A. The local M.L.A., of course, then rises in the House on a day such as this, looks at the Minister of Municipal Affairs, and says, we have a problem. I certainly echo the words of the Member for Highwood and say that it is something we have to take a look at.

In that regard I am really proud of one municipality within the constituency I represent, and that is the county of Barrhead. The Member for Vegreville talked about a resolution that the county of Barrhead brought to the annual convention of the Alberta Association of Municipal Districts and Counties one year ago. While the resolution that the Member for Vegreville talked about — when outlining so clearly and eloquently — was presented to the convention, I think there tended to be some misunderstanding about what that resolution basically was.

If you look at the motion that is forwarded to the Assembly today by the Member for Drayton Valley, she basically says that there is a need for a minimum tax on all rural residential parcels and farmsteads to help distribute the property tax load more evenly among all property owners. The county of Barrhead has basically gone a step further and identified what that minimum tax should be. It has said that it would be most fair and appropriate, and provide the greatest degree of equity, if all property owners basically paid a minimum tax amounting to some \$400.

What would that really mean? I think it's important, and I am sure all members are quite concerned. Does that mean that everybody who lives in a house or owns a house has to pay \$400, or is it every parcel or quarter section of land that has to pay \$400, or does every title within that municipality have to pay \$400? I think there are a number of useful scenarios that should be provided here today. I would like to present five examples of how a minimum tax might apply in a local jurisdiction in any part of Alberta.

If you were to take a marginal parcel with a land assessment of \$10,000 and a farm residence with no assessment due to the exemption, that home in the county of Barrhead would normally pay \$250 per year in gross taxes. With the minimum taxation proposal, that tax rate would move up to \$400. In essence, that home-owner would pay an additional \$150. You have to bear in mind that there is a high level of services, the seven types that I talked about a little earlier.

You might want to look at another example. If you were to take a single parcel with a basic land assessment of \$10,000 and two residences, both exempt, the tax under present legislation would again amount to \$250. With the minimum tax concept, it would increase by some \$550, for a total taxation of \$800. You have to remember that you now have two residences on that same parcel of land: two homes, two families, and presumably, if you looked at the average number of children in an Alberta family of two point some-odd, you are talking about four children or more attending school. A total of \$800 seems like a fair amount to have to pay for the services of recreation, culture, education, transportation, hospitalization, and the like. But currently those two residences on the one quarter might pay significantly less than what might be equated as their fair share — not their above-average share, their fair share.

A third example members might want to consider is that if you were to take two parcels of land, one assessed at \$10,000 and one assessed at \$20,000, with one residence on these two parcels of land, you would have a gross tax of \$750. But the minimum tax in this case wouldn't apply, because there is only one residence. That minimum tax would be \$400, so that family is already paying its fair tax.

A fourth example — not to confuse members but just to provide some greater degree of clarity with respect to this. If you were using two parcels, one assessed at \$20,000 and one assessed at \$10,000, but with two residences, in essence their taxes would now be about \$750. But under the minimum property tax, each residence would pay \$400, so there would be an additional tax of \$50 in that category. Again, we are talking about two residences on two fairly highly evaluated parcels of land.

The last example that I would just draw to all members' attention is if an individual landowner had four parcels of land assessed at \$20,000 each, with four residences. Under the present legislation they would provide a tax of \$2,000. Under the minimum tax, they might be down to \$1,600, and there might be a fairer saving to them because of the distribution. The last example is based on land assessed at \$20,000; the situation would plug in differently if the land were assessed a little higher or a little lower.

There is no doubt at all in my mind that we have to address ourselves to the question of fairness and to the question of equity. In terms of discussion with anyone, it makes no sense whatsoever to look at an individual with several children, who lives close to a high-standard secondary road or in fact a high-standard secondary road that might even have some pavement on it, who has to make use of school buses, who has fire protection and other kinds of protection, and basically by the quirks of the assessment laws and assessment activity we have in the province, in reality finds himself paying little or no tax.

That's not fair, as it is also not fair that an individual family living on a small parcel of land, an acreage parcel of land, with a house that they have worked very diligently for — they have saved; they have prioritized their expenditures to put it into that house, to build the kind of house they want, a sense of pride in the community; they've distributed those dollars and kept them there instead of taking an annual holiday to, say, Hawaii.

Instead of spending that \$4,000 or \$5,000 per year over the last five years, they have in fact taken those dollars, put them into their home, improved the economy of Alberta rather than the economy of Hawaii, and now they find themselves penalized under local taxation laws because they have done something that the norm says they shouldn't do. That's most regrettable. It's also very upsetting, of course it's retrogressive, and it's absolutely, totally stupid. People should be provided with incentives to improve their property. They should not be taxed when they improve their property.

In conclusion, Mr. Speaker, I think the point is being well addressed today. I'm pleased that the Minister of Municipal Affairs is here. I know he's an understanding person; I know he wants to do the right thing. I know that he certainly has read the record over the last several years, and he's heard the points of view brought forward by a large number of people in all parts of Alberta. This is certainly not a matter that is peculiar to just one part of Alberta today. He's heard from the Member for Highwood, the Member for Vegreville, and the Member for Barrhead. He's heard from other members on this matter, and he will hear from others. We would ask him to spend a considerable amount of time through the winter of 1983 and the year 1984 coming up with a new proposal that will make us all feel very good about taxation.

Thank you.

MR. PURDY: Mr. Speaker, I'd like to say a few words on this very interesting motion this afternoon. I guess this debate has been around for the last 12 years, and I've spoken on it probably eight times. We look back at the history, what has taken place with municipal taxation, and we recall the Farran task force report, which is probably now gathering dust in the Legislature Library and in the minister's office. There were some recommendations in that report that were acted upon, but not very many. Then we look at the recent amendments to the Municipal Taxation Act in 1981. It was a bit of help but not that much, because in actual fact the legislation allowed for the taxation of some farm homes with a basic exemption. I think what we have to do, as a government that's representing this province — and myself as an M.L.A. representing a particular constituency — is bite the bullet in the winter of '83 and the spring of '84 and make a decision on a total regathering of the municipal tax picture in this province.

The area I represent is directly west of the city of Edmonton, and it has quite a mix of people that are taxed. We have the farm community, which has been there since the area was settled in the 1890s. We had acreage areas open up in the late '60s and in the '70s. We have a large number of acreage holders in that particular county, especially in the east end of the county of Parkland and in the northeast part of the county of Lac Ste. Anne. We are also blessed with a very high commercial and industrial assessment in the county of Parkland, and I guess we are in a better position than other municipalities in the province. A number of years ago, the county of Parkland moved to a split mill rate, which has somewhat helped the farm taxes and the acreage tax and put more of the burden on the industrial contributors in the county. They're mainly TransAlta Utilities, that has two power plants operating around Lake Wabamun; the coal mining operations that are taking place; and a number of highway commercials and other commercial parks scattered throughout the area west of Edmonton.

We look at where the tax dollar goes. What services are required? In the county I represent — and I'm sure it's evident across this province — services are required for the following. Probably the number one expenditure the counties have is wages. The next largest expenditure — and I haven't heard

any other hon. members mention this today — is within our school system. We have talked about high increases in taxes. The Member for Highwood did, and the Member for Barrhead mentioned 50 per cent increases in taxes in some places. Let's be fair to our municipal politicians and look at some of the astronomical costs that have come in that the school boards wanted. I know that my own tax bill went up 28 per cent last year. The municipal did not move 1 per cent, but the school end of it was 28 per cent, which is a reflection on the whole system. I guess that maybe someday I'll be in this House urging the Minister of Municipal Affairs and the Minister of Education to look at a dual tax notice for our friends in rural Alberta, so they can see exactly what money is being spent for educational purposes and what money is being spent for municipal purposes.

Within these municipalities, we also have a large amount of money required for municipal maintenance of roads and, secondly, the rebuilding of roads. In some cases the rebuilding of roads has a contributing factor from the province of Alberta, but in most cases the municipalities have to put that amount up. Some municipalities have their own policing system, which is an extra expense. Within the county of Parkland and some of the other areas, we also have a high expense in fire protection.

Mr. Speaker, I had an interesting meeting about a month and a half ago with a group of citizens representing the Parkland acreage association; they were also representing the provincial organization. They indicated to me that in the county of Parkland alone, there are over 600 homes — parcels of land — that don't pay any taxes at all. These are where a second home is evident on a farmstead. The person may be working for any of the corporations that are evident in the county of Parkland; they may be working in Edmonton. But they're also saying that they are the second farmer on that farm. So they're both exempt; the farmhouse is exempt, and so is the second house. I would like to do further research on this to see if there are actually 600 homes, but the information that I received from these people is on pretty good authority, and I have to believe what they said.

What are the answers to this? I believe that we have to look seriously at this motion and come in with a minimum tax for all residences right across the rural part of the province. The hon. Member for Barrhead pointed out, and very correctly, that people all want the same services, and they should be paying for those services in an equal manner.

The other question is: why should a person be taxed because he does improvements to his acreage home or his other homes? I say that we should tax all residences in rural Alberta. We may have to look at the basic assessment for our farmland, since we raised it from \$40 an acre to a figure now around \$300. We may have to look at bringing that back. I did some figures for the county of Lac Ste. Anne the other day, and on No. 1 soil in the Onoway area a person with 160 acres of land is paying very close to \$350 a year taxes. So if he had a 1,200 square foot home, with no exemption at all, he would probably be paying another \$500 or \$600 for that home and would then have a total tax bill of \$1,000. So to be fair and equitable, we should reassess the assessment value of the various soils that we have in the province. If we're going to come in with a uniform tax rate for all residences, we should very seriously look at lowering that exemption to help out the farmer, because he is at the whim of the market place; you might say that the farmland is his payroll to society. Most of the farmers that I have spoken to say they would accept taxation of their farm home; they wouldn't accept taxation of their farm buildings or a further increase in taxation of their land.

I emphasize that many people that live in these rural areas use all the same facilities. They use the roads, they use the

schools, and they want the fire and police protection, and many of them are paying very little or no taxes at all. So if we accept the motion by the hon. Member for Drayton Valley, I think it would be fair and equitable. I would go a step further and say that it's about time we gathered our thoughts together, take the old common expression of biting the bullet, and make some decisions for the 1984-85 taxation year.

Thank you.

MR. STILES: Mr. Speaker, I'm extremely pleased for it to be possible for me to rise today to speak on this particular topic, and I commend the hon. Member for Drayton Valley for bringing this motion to the House. It is apparent, and obvious from the other speakers who have addressed the topic today, that it is a very broad topic and certainly a topic that enjoys a broad area of concern in our province. It is a many-faceted problem, and it's one that I think is impossible to deal with in a few minutes of debate such as we have today. But I would like to say a few words with respect to the concerns in this regard that have been expressed by residents of the constituency of Olds-Didsbury.

Taxation of property is the method of raising a levy for the purposes of providing municipal services. It's the method we as a province permit for the municipalities, both urban and rural, within our province. It's the only real source the municipalities have, other than transfer payments. The motion we're speaking to today addresses the method, the system of taxation we employ to generate that revenue. I think it's important that we understand exactly what we are attempting to accomplish by this system of taxation.

The present system is based on assessment. In other words, it's based on a system of valuation of property. We've already heard today of the many examples of the unfairness of this system. There's the unfairness generated when a person is taxed according to the value of his residence. The individual who puts most of his resources into his residence, in providing a home for his family, is taxed disproportionately in comparison to his neighbor down or across the road who perhaps spends half of his life in another province or state, down in the south enjoying the winter sunshine, or perhaps he has it invested in such luxuries as motor homes and that sort of thing, on which he pays no tax.

In the area of commercial taxation — and here I'm perhaps moving partly into the area of urban taxation, which this motion does not address — we have gross unfairness with the idea that a commercial business that uses a relatively large square footage of floor space, such as a retail business, is taxed disproportionately compared to other businesses perhaps generating the same amount of net revenue to the proprietor, that use up a great deal less space and don't require nearly so much capital investment.

The perceived unfairness in our tax system is, I believe, the root of the concern that has been expressed both to me and to other hon. members by the taxpayers. It's a value-based system; that seems to be the policy we have adopted. It's a long-standing system, and I certainly don't want to get too deeply into the bog of discussing the philosophies behind the policy we now have. But I should say that I believe it's rooted in the philosophies that came out of 17th century England, leading up to the philosophy of Rousseau and the idea of a social contract: the philosophy that seemed to permeate the French revolution, the idea that the individual owed some sort of debt to the state. All of these various philosophies wound up with Karl Marx suggesting, in the middle of the 19th century, that the state should take from the individual, from each according to his ability, and the individual should take back only according to

his needs. That was the Utopian philosophy of Marx that seems to have developed into this idea of taxation based on ability to pay that has developed and been given wide acceptance in many of the western nations of the world today.

It's a strange thing that we abhor the idea of communism; we don't like the idea of statism. Yet we have adopted a method of taxation based on this idea of making everyone equal by taxing the ones who have worked the hardest or developed the most, through whatever means, and taxing the least the ones who, through indolence or some other reason, have not amounted to too much in our society. I think it's that philosophy, that philosophical base underneath our tax system that is so rejected by our taxpayers today.

What is to be accomplished by the tax system? Is it to raise revenue, or is it to make everyone equal? That's the question we have to address. Punish the achiever: that's the present concept, or at least that's the way it's perceived. The revenues are used by the municipalities to provide services. The services are enjoyed relatively equally by all of the residents. So the question then comes: why not tax at least each family group equally, so that each family group that has equal access to the services provided, pays an equal share of the cost? I think that is what is at the root of the motion we are debating today.

The user tax has been employed in many areas. The easiest example I can think of is the idea of a toll on a new bridge. If the municipality erects a new bridge, everyone going over the bridge pays a toll, and eventually it's paid for by the people who use it. In a municipality, you can't really set up toll gates all over the place, so the simplest way is to say that everyone has equal availability, therefore everyone should pay equally.

In doing that, I think we have to recognize we don't have a single tax base; we have a multifaceted tax base. There are residences, there is a land base which is productive, and we have the commercial/industrial base. With the ingenuity that is present, I think the innovative people we have in our Municipal Affairs Department would not have a great deal of difficulty coming up with a system of taxation that would spread the load relatively equally among the residents, the commercial interests, and the land base of the municipality, to develop a taxation system that would be fair — not based on assessment, and not necessarily based on value.

I believe it is this idea of an assessment that is so abhorrent to landowners. They have certainly delivered the message to us loud and clear that they are not satisfied with a system based on valuation; they want to get rid of it. I think that's because the underlying philosophy is abhorrent to the people we are now taxing in this way. They want to be taxed equally; they want a system that is fair. The idea of taxing the individual who improves his property the most is totally rejected by them.

Mr. Speaker, there is much I could say on the subject. I could go on at some great length, but in view of the time I move that we adjourn debate.

MR. SPEAKER: Having heard the hon. member's motion to adjourn the debate, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion is adopted.

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

**Bill 214
Environmental Impact Assessment Act**

MR. NOTLEY: Mr. Speaker, I move second reading of Bill No. 214, the Environmental Impact Assessment Act.

The Environmental Impact Assessment Act is modelled on legislation passed by the government of Saskatchewan and in place in that province at the present time. There are a number of important principles contained in the Act. The most important is that every development proponent must prepare an environmental impact assessment and a resulting environmental impact statement. Another feature of this Act is that all environmental impact statements would be made available for public scrutiny. On petition to the minister by 10 people, public meetings which the proponent must attend can be called to consider an environmental impact statement. No proposed development could proceed without ministerial approval, provided it has some relevance to the environment. I want to note that so we don't get off track and think we're going to be requiring ministerial approval for every development. Of course that's not what is envisaged in this legislation, nor is it the practice in our neighboring province of Saskatchewan. Grants to groups and individuals interested in intervening in the review process could be considered by the minister.

Mr. Speaker, much of the initial drive for this legislation in our neighboring province came as a result of the government's decision to embark upon a uranium mining development. One could argue the rights and wrongs of that decision, but I think it is worth noting that in the Key Lake uranium mine development, extensive reports ensured that there were appropriate safeguards for the environment.

As I review the situation in Alberta at the moment, Mr. Speaker, the Energy Resources Conservation Board decides whether there will be an environmental impact assessment. That's fine, but there's no guarantee that an EIA will be done or that there's any public access to it. Consultation with the public is at the discretion of the developer, yet in our view there should be consultation with the affected community. That's one of the reasons the New Democratic Party feels we should emulate the leadership of Saskatchewan in this regard by setting up legislation that clearly requires an EIA.

Having outlined the basic tenets of the Act, Mr. Speaker, let me relate those principles to several examples of why I think it would be useful to have an environmental impact assessment Act in the province of Alberta. The other day during the course of discussion in this Assembly on Mount Allan, the mountain without any snow that the government has chosen for the site of the winter Olympics — one could question that development; I won't get into it. But certainly of concern to many environmental groups in the province is the environmental impact of Mount Allan as it relates to grazing for wildlife in the area. Before we decided on a mountain — notwithstanding the fact that it doesn't have any snow most of the time, and we're going to have to make snow for it; notwithstanding those rather elementary points which are beside the impact of this legislation — one would have thought we would have at least ensured that there was an environmental impact assessment.

I recall that during the first term I was a member of this House, Mr. Speaker — and you may remember it as well — there was a proposed development by Imperial Oil at Lake Louise. They were going to take down the Chateau Lake Louise

and develop Lake Louise into a massive skiing operation. This government, quite properly I thought, in normal Tory fashion after reading public opinion, backed into the right position, and we had the Minister of Energy stand up and argue that for a number of reasons, project Lake Louise could not proceed. Among the reasons was the concern over the highly sensitive environment. I still remember raising questions in that first year I was a member of the Assembly, the spring of 1972. The then Minister of the Environment, Mr. Yurko, would make it clear that his concern too was the nature of the sensitive alpine terrain and the need to be sure there would be no jeopardy at all to that terrain.

Mr. Speaker, we've come a long distance since the days of Mr. Yurko, when we had an environmental watchdog sitting in that office and a highly publicized promotion which was rejected. Now that this government seems to presume that there isn't as much concern out there in the public as a whole about environmental matters, we have a minister standing up the other day and freely admitting that their approach was not to have an EIA as a condition of development. Frankly, I think that's totally wrong.

Another example one could cite was the impact on the environment of the decommissioning of the Gulf plant at Pincher Creek. Let me say that frankly I think Gulf has done quite a good job in attempting to keep the public in that part of the province up to date on the problems that have arisen as a consequence of decommissioning that plant. It is ironic that we have to rely on the public-spirited attitude of a large international oil company because we have a government which, to put it frankly, seems casual in protecting the public interest. Gulf has undertaken public meetings; Gulf has made available public information, rather than this information being required as a consequence of statute.

Mr. Speaker, some may say that that just proves we don't need legislation. The fact of the matter is that for every example of companies you can cite that have taken a responsible attitude toward community involvement, community information, and warning the community, we have other examples where that public-spirited attitude hasn't been followed. Again, the provisions of this Act would simply require that where an environmental impact assessment has been conducted, that EIA would be obtainable by the public so the public has an opportunity to assess it. Where 10 people require a public meeting, the proponent will have to have a public meeting in order to share that EIA and answer questions about it from the public. Where there are costs involved for interveners, if there is serious concern about the environmental impact of a matter, those costs could in fact be borne as a result of a ministerial order.

Let me give just one other example of why I think an EIA is necessary. It's an example in the north Peace. As you probably realize, Mr. Speaker, we have soil in the Peace which is highly sensitive, so the kind of pollution created by the sour gas industry is particularly serious in terms of the problem it has on the pH factor in the soil.

Mr. Speaker, about a year and a half ago, the Energy Resources Conservation Board had a hearing in a community called Silver Valley. It was with respect to a small gas plant which had absolutely no sulphur recovery equipment installed at all. What was really horrifying about this whole process was that here was a company that was marching in, away they went, and there was no serious effort on the part of the Department of the Environment, or the proponents for that matter, to recognize the impact that particular industrial project would have on the people who lived in the area.

Knowing men and women who, over 20 years, have invested every cent they've made, men who had to go out to work on

the oil rigs in the arctic, women who had to bring up their families in the dead of winter with very questionable roads, almost 50 miles from the nearest town, one senses the frustration of people who see what they have built up being jeopardized by an industrial project which seemed carefree in terms of the environmental implications this gas plant could have on the people in the area. What was even more ridiculous and sad was that there are a number of sour gas wells in that region of the province.

Mr. Speaker, one of the larger oil companies — and members will know that no member of this House has been more willing to ask questions about the operations of the multinational companies than I have, and frequently criticize them. But in fairness to this one proponent, Shell, they are proposing a progress plant which would have almost total sulphur recovery — 99 per cent. It would be a modern plant. There was every possibility of a joint venture which would have brought in various smaller producers, so we would have one plant with maximum sulphur recovery equipment located in an area where it would do the least damage to the surrounding environment, including the agricultural soil on which all kinds of other people are making their livelihood.

Mr. Speaker, the ERCB chose to look at the balance sheet in the narrowest sense and say, we can't interfere with the private-sector decisions of these companies. We can certainly interfere when it comes to working people by imposing a thousand and one rules on them, and I understand there's some possibility of even more vexatious rules being considered by this government, but we'll wait and see.

Instead of saying to the companies, get together and have one plant so we reduce the emission of sulphur, so we reduce the environmental impact, so we don't jeopardize the investment of all kinds of other people who spent years developing an area of this province, what we have, Mr. Speaker, is a decision, quite compartmentalized, where we say to this one firm: go ahead and construct the gas plant without any sulphur recovery equipment at all. It's unbelievable that in 1982 a government could allow that to happen. I don't know where the former Minister of the Environment got his information, but the current minister's predecessor, three or four days before some people came down to see him, had issued a press release saying everything was fine; go ahead. Mr. Speaker, it's this kind of example that leads me to the conclusion that we need legislation such as the legislation contained in Bill 214.

I know that some may say this is going to involve all kinds of extra costs on the private sector. I don't believe that is true, Mr. Speaker. I think that as the guardians of our total heritage, part of that heritage is clean air and clean water; part of that heritage is the right of other people to live in their community, whether it be Hill Spring, Pincher Creek, Silver Valley, Fourth Creek, or Quirk Creek west of Calgary. There are the kinds of rights that we as Albertans enjoy. Those rights to a clean environment have to be protected. The kind of legislation I'm proposing today, modelled as it is on successful legislation which has been in place for a number of years in Saskatchewan, would, in my submission, represent a step forward. For that reason I urge hon. members to support it.

DR. REID: Mr. Speaker, I'd like to make a few remarks on Bill 214, put forward by the hon. Member for Spirit River-Fairview.

I've been in this Assembly now for four and a half years, and among the documents that have crossed my desk in that period of time, this has to be one of the worst. I think we really need a companion Bill — and he should have brought it in with him today — the commercial activity impact assessment

Act. Perhaps I should put that rather dogmatic statement in some kind of context.

As well as representing about 30,000 Albertans in this Legislative Assembly, I suppose it's also indirectly my responsibility to represent about 15,000 square miles of Alberta's environment. As well as being a responsibility, it's a bit of a privilege. I haven't tried to convert that into hectares; somebody else can do that for me.

That 15,000 square miles is a very large area in most countries. We tend to think of 15,000 square miles in Alberta or Canada as a relatively small area, but I've said before that it's a third the size of Scotland. Included in that large area, we have the national parks of Jasper and Banff, two wilderness areas, Willmore Wilderness and Kakwa, provincial parks, large areas of mountains, foothills, forests, muskegs, and there are a lot of natural features. We also have a pulp mill that most people who drive through to Jasper know about. We have several large sawmills and a number of small sawmills. We have coal mines, both surface and underground. We have oil and gas wells — both sweet and sour gas — and we have gas plants to extract the hydrogen sulphide and the sulphur from sour gas. In other words, we have a good cross section of the problems this Bill is supposed to address. Those of us who live there also have considerable experience of the process as it now works.

We've seen the efforts, the time and the cost that is involved in the present environmental impact assessment process. We've also seen the incredible repetition that is required as one coal mine after another goes through the same process: having public meetings in the nearby communities, and frequently in more than one community. We've also seen the results of the present environmental enforcement system — that there is the protection system in this province. If you go to Cardinal River Coals, southwest of Hinton, almost against a national park border, well into the area above the tree line in some parts of that development, you'll find one of the healthiest and largest flocks of Rocky Mountain sheep that you'll find anywhere, inside the fence, living on the reclaimed areas.

If you look at the St. Regis' reforestation, you'll see some very attractive areas of regeneration, trees 20 feet high. They are a superb place for the wild animals to live and to graze. In actual fact, the forest is in many ways more attractive now than it was before any of it was cut down. It also happens to provide some of the best cross-country skiing areas anywhere in North America, where the Canadian Cross-Country Ski Championships will be held next spring.

In other words, what is the problem that this Bill is supposed to attend to? If you really look at it, it's one of the classic examples of the socialistic philosophical approach of overregulation, big government, and rigidity that one could wish to find. If you look through the definitions and the subsequent sections of this Act, it would apply to some farmer putting a bridge over a creek; a small logging camp contractor putting a road into his cut area every time he expanded his road or moved it, or if his quota cut was shifted somewhere else. [interjection]

The definition

"person" includes a body corporate or other legal entity, an unincorporated association, partnership or other organization, a municipality, the Crown, a Crown corporation ...

"pollution" means alteration of the physical, chemical ... aesthetic properties of the environment ...

If you look at those examples, Mr. Speaker, what's going to happen?

MR. NOTLEY: Look under "development".

DR. REID: Development? Okay, we'll take the development. "development" means any project, operation or activity or any alteration or expansion of any project, operation or activity which [will] . . .

- (ii) substantially utilize any natural resource and in so doing pre-empt the use, or potential use, of a significant part of that resource for any other purpose by another person.

In other words, I've read through it, Mr. Minister. What we're seeing here is a classic conflict between the philosophies of co-operation and dictation. To my mind, the present system of co-operation and flexibility goes with the belief that man is essentially a social animal who likes living with other social animals of the same species, who wants to get on with those people. He's not intent on confrontation with them. This Bill represents the automatic development from this philosophy of an adversarial position, conflict between one person and another, between one company and the government. And it really is going to lead to an incredible number of completely unnecessary environmental assessments. The numbers are almost beyond imagination when one looks at the provisions of the Bill.

The present system, where the minister can order an environmental impact assessment of any project that may cause damage, exempts those that obviously will cause no damage. But this Bill will mean that every project, without exception, will have to have an environmental impact assessment.

Mr. Speaker, I and my family, and most of the residents of that area of west-central Alberta, live there at least in some part because of the natural attributes of the area, and we certainly are not interested in ruining the area we live in. But I wouldn't like to go to my constituency and speak to the people I represent and try to encourage them to accept this kind of legislation. [interjection]

I receive many comments from individual people — not from the companies — about what they see as the wasteful, repetitious system we have at the moment. They make suggestions about how it can be simplified and still attain the same ends. We're not suggesting that the present system is inadequate at all. In actual fact, if anything, in view of our experience with major developments that have quite a notable impact upon the environment, there's more of it than we really need in order to protect the environment. It's on that basis of experience, and the experience of the people I represent, that I would urge members to reject a completely unnecessary and unwarranted enlargement of the intrusion of government into either the commercial sector or the individual lives of Albertans.

Thank you.

MR. LYSONS: Mr. Speaker, I too would like to get into the debate on Bill 214. It's a Bill that clearly hasn't been well thought out by the member presenting it. I was very surprised to hear that it was modelled after a Bill in Saskatchewan. I really thought it was modelled after a Bill from Cuba. [interjections] I'm sure that it's not modelled very well after the Bill from Saskatchewan.

MR. NOTLEY: The PC government still has it, word for word.

MR. LYSONS: Let him jaw away there.

MR. NOTLEY: Just giving you the facts.

MR. LYSONS: Clearly the Bill is intended to mystify industry. That's not strange, coming from that particular corner where the socialists try to be goody-goody two shoes, pretend that they're so great and good and are going to bring in legislation

that will solve all the environmental problems, and to hell with making a living.

One thing that we have to do in this country is compete. [interjections] We have to compete on a world market. Whether we like it or not, we're in a world market situation, and this Bill gives no statement of purpose whatsoever. It doesn't say what is intended by it. We've got lots of definitions and so on, but if we were to follow this Bill . . . I've read most of it pretty well. There may be some little sections I overlooked, but when I got halfway through and realized that it was affecting me directly — and wherever it affects me directly of course raises red flags. Usually anything that comes from that corner raises an automatic red flag. There are parts in here that would have finished me if I were doing any land clearing any more. Fortunately I've got my land pretty well all cleaned up. But if a farmer would have to go out and have an environmental impact study before he could drain a little slough, knock down some brush, or change a brush line — particularly in the development section under 1, where it says, "have an effect on any unique, rare or endangered species or feature of the environment".

On my little farm we have a nest of garter snakes. Because they are an endangered species, we tried to leave the knoll with the garter snakes. But we found, after leaving them alone and leaving a nice bank for them to play in, that we've got more garter snakes than we can possibly handle. Yet we can't do anything with them. You can't drown the little things, because they swim like crazy. I went to the wildlife officer and said, what do I do about these garter snakes? He said, you'll have to phone the university. Apparently there are some people at the university that have such an affinity for these things that they would actually come out and catch them and move them to another area if they were bothering me that much. They never really bothered me, but it sure bothered the ladies when they came out to pick strawberries; they didn't like those little things crawling around. We never ever bothered. We just leave them alone as best we can, and they leave us alone.

If this sort of legislation were to be slipped in under the guise of being useful legislation, it would virtually change our entire way of life in rural Alberta. Probably the people that wrote up the Bill and so on live on Jasper Avenue in some of these high-rise apartments around here, or wherever. But the real work and development goes on in the country.

Nature being what it is and the environment being what it is, as the hon. Member for Edson pointed out, the environment adapts. I often wonder what would happen if we had to build a railroad across Canada again and have an environment impact study clean across 4,000 miles of Canadian soil for a railroad. The railroad could never be commercially built. It's not solvent now really, and it would never happen.

The Bill doesn't touch the major issues. We have some laws in Alberta that are permissive. In other words, you can go out and do an awful lot of things providing you're not polluting the air. If you pollute the air, then you have the Clean Air Act to contend with. If you're polluting the water, you have the Clean Water Act. And on it goes. There are many checks and balances in our process to develop something. As a farmer or businessman, or if I were a miner or explorer, there are only so many things I can do that would harm nature or the environment. If I am doing something that is going to disrupt things too much, then there are these other back-up systems.

I'm sure this Bill will find its way to the same place as the hon. member's right to sunshine Act. I wonder if the hon. members remember the Bill that was presented some while ago by the socialists for the right to sunlight. It was just priceless. The reading and the studying of that Bill would be just . . .

There are these new games that come out. This would be a good new game to write on, just using that Bill.

This Bill, Mr. Speaker and hon. members of this Assembly, is antirural in every sense of the word. It would virtually wipe out any further development of our agricultural base in this province, therefore I would certainly vote against it.

MRS. FYFE: Mr. Speaker, I would like to add a few words to the debate on Bill 214 this afternoon. It's probably a rather appropriate one to be discussing. In fact just a few moments ago I was discussing the issue of environmental concerns with the mayor of St. Albert, who is sitting in the members gallery. I'd like to recognize Mayor Richard Fowler from St. Albert.

In my lifetime, the word I think I've learned to be the most significant in our English language is "balance". If we would take some of the comments that have been raised by the hon. member this afternoon and apply the principles of the Bill that he sets forward, I think we could probably see that we could study, and we may even be able to prevent, any future industrial development within the province. In years past I have seen certain individuals take this type of position, that it's imperative to have any project studied, analysed, and dissected. That process can go on and on without a decision having to take place.

If we carried to the extreme some of the principles — and I'm sure that's not the intent of the hon. member, because he does argue in this House that he would like to see more employment, development, and diversification. But if you applied the principles of this Bill, I'm sure we could prevent all those honorable objectives that each of us would like to see.

The other aspect, the other argument, the hon. member includes in his debate would seem to imply that what we have in place now does not provide an assessment on major developments that take place within our province, and that's simply not the case. We have had legislation that has included provision for environmental assessments for over a decade. And what does that mean? What is an environmental assessment? It's basically an analytical study that evaluates the potential physical, biological, and socioeconomic effects of development within the environment. It provides an overview of proposed developments to both government and the public. They are intended to incorporate environmental considerations into the earliest possible stage of the planning process. And that's a key factor: that the study does not take place after enormous amounts of money have been expended to determine that a project cannot go ahead. It's imperative to have this analysis take place at the very earliest stages.

What does an environmental impact assessment include? It includes a description of the proposed development. It includes a description of the existing environmental conditions prior to the development, and that's very important. It includes an identification of possible effects of the development. It includes an analysis of possible effects and an identification of areas of concern that will require specific attention. It includes the design of a specific environmental protection plan to deal with areas of concern, and also an identification of adverse environmental impacts that cannot be resolved and a look at their implications. An environmental impact assessment is required for projects that would have some significant adverse effect. The assessment is a very detailed document that deals not only with environmental problems in the area of concern but also with the social implications of the construction. As part of the assessment, the proponents must involve the communities by holding public meetings to answer and to be accountable for concerns expressed by those who would be affected by such a project.

Bill 214 makes all broadly defined development applications or proposals subject to an environmental impact study. This provides no discretion for developments where a similar project is already in existence and for which the impact would already be known. So in this case we would simply have to follow the legislation, carry out another impact analysis, irrespective of the cost of the assessment that would have to be done. And what is the cost of an environmental impact assessment? On the average, it is approximately one-half of 1 per cent that is attributed to the total cost of the project. So whatever the total cost is, if you take one-half of 1 per cent, that would be a round figure for determining the cost of this assessment. If you're looking at large megaprojects, there are enormous amounts of money spent at the very beginning, before any project can get off the ground, to determine the adverse and negative effects and how those effects could be overcome to ensure that we have a balanced economy, that we have employment, and that we are utilizing our resources to the utmost.

Another curious aspect of Bill [214] in my estimation is that it provides for grants to prepare these environmental impact assessments. Currently, our policy requires the proponent to pay for the preparation of the brief while government pays for the administration and the review of the brief. The proponent has to carry out and pay for the cost of that assessment. The financial division ensures an equitable method of payment, and it is widely used by governments across Canada. I can't imagine why in times of restraint we would want to take on a greater financial commitment.

Another area that I found rather interesting: while Bill 214 emphasizes public disclosures of information, our current guidelines go further and provide for public input at all stages of the environmental impact process. So why limit it to one particular area when we have our public involved right at the early stages?

Another area of concern relates to maximum penalties for violators of environmental regulations. Bill 214 unnecessarily restricts the possibilities of penalizing proponents that fail to follow conditions outlined by the minister. There is currently no maximum on specified penalties. When we get a case of a particular proponent who has not followed the guidelines, the approval process, or principles that have been set out, then there is no maximum, and that proponent will have to pay the consequences.

There are a number of areas that we could go on to, to debate the Bill. I know other members would like to get into the debate. I would simply conclude by saying that Bill 214 does little to add to the system that we already have in place. We have a system that encourages public input. It looks at all stages of development, it is flexible, it doesn't require assessments when assessments are not needed, and it certainly does not add to the total cost of government expenditure that is simply not required. I would urge members not to support Bill 214.

MR. PURDY: Mr. Speaker, in rising to put forth a couple of views on this Bill on November 3, I think it will probably go down in history as another socialist attempt in this province to infringe upon the rights of the industrialized part of this province and the rights of people that are trying to do something to make Alberta a better place to live in.

When I look at the principles of the Bill, I see another government agency coming out of this — a whole bunch of inspectors running around throughout the province inspecting this and that. I think we have too many inspectors at this particular time in our history, and I don't think we need another set of inspectors out there.

Many aspects of this Bill have been pointed out. The Member for St. Albert pointed out a number of them. I would like to dwell on a particular section of the Act; that is, that 10 people may ask for a public meeting to be held on an environmental matter that may be taking place with any development. Could you see Martha Kostuch from Rocky Mountain House? She would have a field day. She would be all over the country with her little group of people, and there wouldn't be any development taking place in the province of Alberta at all. We'd be stymied with this type of legislation.

Mr. Speaker, I look at an area that I am very, very familiar with. I guess I can take off the MLA hat and put on the TransAlta hat. Some people may say it's a conflict of interest. But I might as well put forth in this Legislature what TransAlta has to go through before it can build a plant and get it operating in this province. We don't need another piece of legislation to hinder their operation in Alberta for plant studies.

There are approximately — and I stand to be corrected — over 50 agencies that TransAlta utilities has to apply through with the provincial government, the federal government, and the municipality before they can even think of starting up a plant. Then we have other watchdog agencies like the Energy Resources Conservation Board, which is the main agency. From there the list goes on and on. It totals something well over 50.

After the plant comes on stream, you have a number of operations that the company must adhere to. I concur with the legislation that's in place now, and I think that legislation, such as the Clean Air Act and the Clean Water Act, is good. If you go in and mine the coal, you have to apply for permits. You have to satisfy the Department of the Environment and the Department of Energy and Natural Resources that you are going to mine in that particular manner and you're going to take that much coal out. Then you get into land reclamation, and it has to be done to the satisfaction of the land reclamation branch of the Department of the Environment and a number of other agencies.

Mr. Speaker, I look at the Bill and then I reflect on what happened in Keephills. There was a committee struck called the Keephills steering committee. That particular committee worked with TransAlta Utilities, with the municipality, with government agencies, and it worked to the satisfaction of the people in the Keephills area. Last Thursday night I had the pleasure of attending the windup meeting and tribute to Alma Carter, who was the chairperson for that particular committee. In over six years they did excellent work answering the concerns of the citizens that lived in the area. They didn't have to go on any guidelines in ridiculous Bills such as this. They used common sense, and all parties worked toward one goal and one end for the satisfaction and the good of the environment: that it works in everybody's favor.

I will just look at the Bill and some of the major issues in it. The Leader of the Opposition would like to set up legislation and have it, along with his regulations, written in stone. I haven't seen the regulations; I don't even know what they'd be like. Our situation right now is that there are guidelines that department personnel in the minister's office follow.

The Bill would also like to haul everything into court, as I interpret it. You take it into court and let the court settle it. Right now there is ministerial discretion and accountability. If somebody makes a mistake, the minister is accountable to this Legislature under the present situation.

The Bill also points out that all — and I emphasize "all" — operations would come under scrutiny. Right now the appraisal is done on the case-by-case discretion of the department. Any that have to be appraised will be done. Some of

them may not have to be. But with this Bill, all of them fall under very, very strict scrutiny. Right now the decision-making is done by the ERCB, in co-operation with the Department of the Environment. With the member's Bill, as I said earlier, we would be setting up another bureaucracy that the minister would have to try to look after and would not know what these inspectors and all the other people running around the province are doing.

We also look at the technical aspect of the Bill. I believe that right now within the Department of the Environment there is a balanced approach to environmental concerns throughout the province. We also know that when a particular company, or whatever, applies for a development permit, those people know exactly what they have to go through. As I indicated for TransAlta Utilities, they know that they must apply to in the order of 50-plus agencies.

Under this particular Bill, you could get into a situation where you would have approval from the Energy Resources Conservation Board, so you go ahead with some of your plans, you are just starting to put in some of the steel work or the cement work, and all of a sudden section 13 comes up, 10 little people come marching along, and they stop the whole thing for a public hearing. You go ahead and get the structural steel up and are putting in some of the component parts of the plant, and along comes section 13 again and another 10 people come on the scene. The thing is shut down until such time as another environmental impact study is done, and that is going to be a hazard to it. I can see it going so far that when you get into a development like I am very familiar with, when you get the plant on stream and are blowing off steam, cleaning out the steam lines and so on, all of a sudden you have to shut it down because another 10 people are saying: the noise is a hindrance to us; it's a detriment to the environmental impact in the area.

After you get the plant on stream, maybe the cooling power is not functioning properly, the reciprocators may fail one day, or something like that. Section 13 comes along again, another 10 people have signed a petition, and you shut the unit down if you listen to this.

I think a Bill like this would stymie industry in the province of Alberta. Mr. Speaker, I urge all hon. members to oppose this Bill.

MRS. EMBURY: Mr. Speaker, I'm pleased today to make a few comments regarding Bill 214. I'm quite pleased that this Bill has come before the House, because it gives me the opportunity to present the point of view of some of my constituents who I know would definitely want me to oppose this Bill. As a matter of fact, I don't believe I have taken the opportunity in this Assembly before, or possibly not for quite some time, to state exactly how some of my constituents feel. Of course these are people who are in business, a lot of them in the oil industry.

I was actually quite pleased today to hear the Leader of the Opposition referring in a positive way, I believe — if I can recall some of his statements — to a multinational oil company. I really didn't expect to hear that comment, although I certainly appreciate the fact that the member must have some constituents in his area that work for the large oil companies, and possibly smaller oil companies, and probably on many occasions have expressed to him concern regarding the already existing rules and regulations in trying to develop a worth-while project out there in some part of Alberta.

One of my other concerns — and I have to kind of paraphrase a little story for the Legislature — is that there's no way I could possibly support this Bill. If you took a small rural community association that might try a little fund raising and serve some-

thing like chili, and if it happened to affect one or more people in an adverse way, we would probably have to have an environmental assessment on that particular situation. [interjections] Yes, I'm sure it would be an impact study. So as I said, I really feel that I have to speak very, very strongly on behalf of my constituents.

I've had it brought to my attention, and I certainly hope to pursue this in the near future with the Minister of Environment and my colleagues, and say: is this not one area where we could certainly look at cutting out and cutting down on many of the regulations that exist? I'm sure the facts would speak for themselves when you think of a few years gone by, how many days or weeks it would take a company in the oil industry to receive permission when they would apply for a licence, and of course at the same time I should be alluding to the terrific cost to the industry. Today that process is getting larger and larger and larger. Sometimes one has to wonder: who are we listening to?

I think I was extremely privileged this summer to go up to northern Alberta with a group of MLAs to assess the area on the Slave River. We were fortunate to have meetings with a wide variety of people in the communities, primarily representatives of organized groups. It was very interesting to hear the balanced points of view.

I thought one point came out very loud and clear. Many people had lived in those areas all their lives and were certainly well acquainted with the issues in their own areas, and they expressed a lot of concerns. But at least they were open to listening to what might be proposed in that area and what it would mean to them.

The one group that was extremely vocal in presenting the environmental concerns was taken on, verbally at least, by other people who had lived there for many years. It was certainly not something that we had to do, or even ask this vocal group any particular questions. The whole point was made by many of the local residents. They said: we do not need people to come from outside our area to tell us what we need and what we would like in the future. The point they were making was that the people who were so concerned about this environment had moved to that area just in the past year or so, I think. It was also interesting to see who they were employed by; that was another factor that influenced it. The local people certainly have a point of view and should be listened to, but I think they will present a reasonable point of view and will also appreciate the other side to all these issues.

Most of the points have certainly been brought out. I was actually quite pleased that the Member for St. Albert went into a little more detail on exactly what an environmental impact assessment is, and the different steps it includes. I think that until you really identify the whole purpose of it, look at what it includes, and look at what is already being done — and apparently being done quite sufficiently under guidelines instead of legislating the process — then average Albertans would certainly take a second look and say: my goodness, do not do anything; don't introduce any more legislation at this time that would increase that process.

Again, I'm pleased to finally have an opportunity in the Legislature to stand up and speak on behalf of the citizens of Calgary North West. If there's one thing they wouldn't want, it's to have any legislation outlined in this Bill that would increase levels of bureaucracy. I think the Member for Stony Plain expressed it very well. As he was speaking, you could almost picture the army of inspectors that would be out there checking on every last procedure.

Of course one of the other points I've alluded to before, and I believe others have, is the terrific cost. One of the examples

I can give, as mentioned in section 14 of Bill 214, is that there was a board of inquiry approach used in Saskatchewan and it cost \$1 million for one inquiry. So you can imagine how many others would also have to be used, and the terrific cost to the taxpayer.

One of the other points I would like to speak against in this Bill is primarily with regard to the approach we have at this time. That's what we have looked at as a balanced approach. It isn't just identifying the environmental concerns of a project — that should be looked at of course — but it [should] also take into view the technical and socio-economic aspects. To my mind, this is a much more balanced approach, and more reasonable than merely making the environmental concerns predominate over the other goals of Albertans.

In view of the time, Mr. Speaker, and as I have several other things I'd like to say so I wouldn't like to start another aspect of my speech, I beg leave to adjourn debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. KING: Mr. Speaker, before moving adjournment of the House, I'd advise that the House will be sitting this evening, as all members are aware, for consideration of second reading of Bills.

[The House recessed at 5:30 p.m. and resumed at 8 p.m.]

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 91 Pacific Western Airlines Act

[Adjourned debate November 2: Mr. Notley]

MR. MARTIN: He will be late, but he said to go on with the debate.

SOME HON. MEMBERS: Question.

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

HON. MEMBERS: Agreed.

MR. M. MOORE: Mr. Speaker, very briefly, there were a number of comments made by the hon. Member for Edmonton Norwood and the hon. Leader of the Opposition. I believe that many of their questions and concerns will be answered in one of two ways: either the reading of the prospectus, the information which will flow from the underwriters who are preparing for the sale of the air line, and also a rereading of my remarks, perhaps coupled with some answers that might be provided by the management of the air line with respect to their concerns about pilots' hours of work and so on. I would prefer, then, to perhaps deal in some more detail during committee study with anything that is remaining.

With those remarks, I recommend the support of all members for this particular Bill.

[Motion carried; Bill 91 read a second time]

Bill 95
Municipal Government
Amendment Act, 1983 (No. 2)

MR. BATIUK: Mr. Speaker, I move second reading of Bill 95, the Municipal Government Amendment Act, 1983 (No. 2).

Section 2 describes the method of electing a mayor or reeve. The provisions were formerly included in the Municipal Election Act, which was repealed when the Local Authorities Election Act was enacted in June 1983. It is being placed in the Municipal Government Act as section 27.1 because it logically follows the description of the councils of various types of municipalities provided in this section.

The mayor of a city or town is elected at the general municipal elections. The mayor of a village and the reeve of a municipal district are elected from among the members of the council at the annual organizational meeting. The county provides that the provision of the Municipal Government Act relating to municipal districts applies to counties, so this provision covers county reeves too. The mayor of a summer village is also elected at the annual organizational meeting.

Section 3 describes the requirements to hold an annual organizational meeting. It clarifies these requirements by eliminating the need to refer to another Act to determine the date, and by simplifying the wording. The organizational meeting is to be held during the two weeks following the third Monday in October. The third Monday in October is the election date in election years, at the time and place set by the secretary. The secretary is to give written notice of the organizational meeting in the same manner as described in section 43(4): in urban municipalities, by personal delivery 24 hours in advance; in rural municipalities, by mailing six days in advance or by personal delivery three days in advance.

MR. SPEAKER: I would respectfully suggest that although the remarks made by the hon. member have been very helpful with regard to the meaning of the Bill, they went into the sort of detail which would ordinarily be raised in Committee of the Whole, although in some of these Bills which amend existing Acts in detail, it may be difficult to distinguish the detail from the principle.

[Motion carried; Bill 95 read a second time]

CLERK ASSISTANT: Bill No. 89, Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1984-85: the hon. Mr. Hyndman.

MR. CRAWFORD: I wonder if we might try No. 99.

Bill 99
Property Tax Reduction
Amendment Act, 1983

[some applause]

MR. KOZIAK: Mr. Speaker, the support for the legislation is growing, and well it should because I have in fact received support from many sources for the concept that the Bill enshrines.

What are we doing with this legislation? Hon. members will recall that at one time, the School Foundation Program Fund was the main source of revenue for school grants in the province, and the supplementary requisition was a small part of the

property taxes raised towards education. When the present government went to the people as the opposition at that time, seeking the support of the people of the province of Alberta in 1971, we indicated that we would remove the School Foundation Program Fund from residential and farm properties. True to our word, we did. We passed the Property Tax Reduction Act. Subsequently we concluded that the benefits of that Act should also apply not only to farm property, not only to single-family residential property, but also to multiple-family residential property, and that change was made.

Mr. Speaker, I am coming forward this evening with a further change, an extension of the benefit of the Act to vacant residential land — land that has been subdivided and zoned for the ultimate purpose of residential use. What that would do is remove the school foundation tax from those vacant lots and acreages that people are ready and willing to build on.

This afternoon we had discussion in this Assembly, on a resolution put forward by the Member for Drayton Valley by members concerned with property taxation. One of the concerns that was raised by a number of the speakers was that a taxation system should be equitable. What I am suggesting in this amendment this evening, Mr. Speaker, is greater equity in the taxation system.

One of the areas that had received complaints was the area represented by the hon. Member for Banff-Cochrane, and also the hon. Member for Three Hills had her hand up. In the municipal district of Rocky View, which is found in that constituency, I looked at two, four-acre plots. On one of those four-acre plots was a fully developed and occupied home, and the one next door was vacant. This is what I found. In each case the four acres were assessed at \$58,000, the value being the same. The first one, with the home on it, had the additional assessment of \$60,000 because of the building. That gave a total assessment of \$118,000 for the occupied property and \$58,000 for the unoccupied property. On those assessment figures, one would assume that one property would pay in property taxes just over twice what the vacant property paid. In fact that was not the case. The occupied property was assessed total taxes of \$1,608; the unoccupied property was assessed total taxes of \$1,501.

Mr. Speaker, this afternoon we heard the concerns expressed by members that those who demand the services should bear the costs. Here, the vacant piece of property demands no services. The occupied property demands the services required by that property, including the services attendant with a school jurisdiction and municipal jurisdiction. Yet the occupied property was assessed taxes \$100 more than the unoccupied property. The reason for that was that the occupied property had the benefit of the Property Tax Reduction Act and of a split mill rate, and the combination of those two benefits created the inequity I've described.

With the change that this legislation proposes, we would have the taxes on the property I've described, the unoccupied land, dropped from the \$1,500 to \$790. That's the combination of the effect of removing the School Foundation Program Fund levy and providing that the vacant property is to be afforded the same mill rate municipally as the occupied property. So when there's a split mill rate, both are to be treated as residential and both are to be entitled to the lowest mill rate.

For somebody who is living in the city of Calgary and is saving money to build on this acreage, this will indeed be of additional benefit. At the same time, for those builders who would like to build and respond to whatever demand there is for housing, the reduction in taxes on vacant lots, within the major cities particularly, will be of assistance in their coming through a more difficult period of time.

Who requested these amendments? In addition to the request that I've received from members of the Legislature, Mr. Speaker, I've had requests from the Urban Development Institute and the Housing and Urban Development Association of Canada. In addition to that the Alberta Association of Municipal Districts and Counties passed a resolution, by the required three-fifths majority, at their convention and submitted that to us for our consideration. So I'm pleased to be able to respond to the requests of my colleagues in the Legislature; to the requests of those who spoke and voted on the resolution at the Alberta Association of Municipal Districts and Counties, and to those who are involved in providing needed services in housing for Albertans throughout the province.

With those brief remarks I would ask that all members support the legislation.

MR. MARTIN: My friend the hon. minister will perhaps not be too shocked if I choose to see it in a slightly different way. As I understand it, we're saying that vacant residential land gets inserted into clauses which relate to qualifying for property tax reductions, including property education tax reductions. I appreciate how the minister, in his kind way, told us he'd been listening to the people and this was a concern right across the province. Being a minister of this government that always leaps to public pressure, he just felt compelled to bring this Act in. Well, that's very interesting. [interjection] We're not talking about the Paddle River, Ken, so just relax.

In a recession, brought on mainly by this government's policies, I know that people are hurting all over. It seems interesting to me that a group which buys land for mainly speculative purposes seems to have more clout than other people. The thing that occurs to me is that it's a bit of a double standard. At the one time we're going to be hitting everybody with income tax, and we going to be going down in educational grants. The minister talked about how well they did in '71. It was a good program in '71. Things have changed, though.

As we now know, at that time around 85 per cent of the property tax was paid for education. As the Minister of Education is aware, because he just commissioned a task force, the latest figure is 67 per cent. So we slid there. But we are not going to do anything to help there, because the Minister of Education has made it clear that in terms of helping property tax payers, we're not looking at an 85/15 split. The Minister of Education made that very clear in the Legislature. So it seems to me that there is a double standard here. We are going to help certain people.

Mr. Speaker, I would frankly prefer to call this Act the developers' tax reduction amendment Act. The double standard bothers me. Even if there is a case to be made — and there is a case to be made for all other property tax payers who feel their tax is going up, along with income tax. That's bad enough. But what concerns me is that if we take some taxes away from unused land, two things can happen. If they get a reduction, they can speculate longer. At least before, there was some emphasis to develop. That's what we ultimately want. I think the minister and I would agree on that. We want as much development going on in housing, in terms of the property tax. By cutting taxes, they are not going to be in as big a hurry to develop that land. Surely that would be wrong. We are giving them a tax reduction to speculate, to take longer. Fundamentally I think that's a bad principle.

The other point I would make is that if we lose taxes in terms of unused land, land that is eventually going to be used for housing, somebody else is going to have to pick up the slack. When the municipality looks at this, the only other people they can go to to make up the shortfall are the rest of the property

tax payers or small businesses. Where else is it going to come from, unless the hon. minister is going to dig into his pocket and give people a tax reduction? I think it is clear that the government is not going to do this. So before we get carried away about fairness, we have to look at the whole aspect of who is being hurt here.

Mr. Speaker, without prolonging the debate on this — because I am going to allow it to go through; I won't vote for it, and we will go at it a little more in Committee of Supply. I would like the minister to think about that. The whole point is the double standards. I think he is going to have trouble saying to people in various ridings, even some of the back-benchers' ridings: we are good people; we gave the developers a break, but you may have to pick up the slack. I don't think those are the types of things that people want right now in Alberta. If we continue with this Bill all the way through, you can rest assured that that is one of the things I'll be speaking about and letting people know about as we go across the province.

Thank you, Mr. Speaker.

MR. KING: Mr. Speaker, I wonder if the hon. member would like the opportunity to correct an error he made in his remarks, when he said that in 1971, 85 per cent of the cost of education was paid by property tax and today it is 67 per cent. In that case, it's not a deterioration but an improvement of the situation. I think he recognizes his error.

MR. MARTIN: I accept the wisdom of the Minister of Education. My tongue slipped. It's the first mistake I've ever made, and I really do appreciate it.

MR. NELSON: Mr. Speaker, I'd like to rise and speak to a few points on this item, and maybe add to some of the wisdom of the hon. Member for Edmonton Norwood. He talked about double standards regarding this Bill. I think it should be understood that when we're talking about residential land, I understand that this is land that may be zoned prior to development. The amount of land involved is minimal, in any event, firstly because until such time as the developer is ready to bring most of this land on stream, it is not entered into the residential component of development. It is raw land that is structured as such in the taxation of it.

The other area is the area of speculation. Mr. Speaker, without people willing to take a risk and — if you wish to use the term — speculate, where would this country be? We're not all socialists; we're not all social workers; we're not all sponging on the government all our lives. Some of us like to ensure that private enterprise has a fair go in this world. The people who continue to feel they must get their skills to continually obtain their income from the tax base rather than be a payer, as do many of the developers — as the word was used — or many of the people out there taking the risk, continue to abhor me.

These taxes that are added on to residential property in the development stage — who pays? For the edification of the hon. member, the new home-owner pays. Who is the new home-owner? In most cases, the new home-owner is the young person, probably just married or with a young family, that is having a very, very difficult time as it is. Certainly if the young Member for Edmonton Norwood wishes to continue on that track, that's fine. If he wants to see our young people continually having their standard of living deteriorated by unwarranted tax due to the fact that land is not developed, that's fine. I sure would like to have the young folks in some of these new communities address this, especially in the next participation that we'll have in a few years.

Mr. Speaker, in support of this Bill, it's interesting that the activities of our developers today are such that they're having a difficult time living, let alone existing. I think it's about time, and I commend the hon. minister for taking initiatives to ensure assistance in seeing that many of both developers and citizens who have lands that they are unable to develop at the present time, at least are able to have a break in such a fashion that some time down the future they can develop these properties.

In fact I have a case in my own constituency, where I've been trying to develop a scenario that I can offer the minister so that these people are able to survive and possibly even live out their lives on certain properties. Maybe we'll be able to develop a Bill jointly somewhere along the line that will be in concurrence with the situation we have.

Mr. Speaker, where there is vacant land and the circumstance is such that it's available for residential development as far as zoning is concerned but not available as far as the infrastructure is concerned, I think it is necessary that some of these people be given some break until such time as that infrastructure is available.

I guess I could stand here for about a half an hour and talk intelligently on this matter, but I'm not going to because I know the hon. minister would like to leave and get on with this. But it would certainly be an education for the hon. Member for Edmonton Norwood, as I'm sure that he doesn't have much knowledge in this area, and possibly in other areas also. At the same time, Mr. Speaker, on the principle of this particular Bill I hope that in the last few moments he may have learned something of some positive nature.

MR. GOGO: Mr. Speaker, I wish to make several comments relative to Bill 99. As with so many other Bills, I think the hon. Member for Edmonton Norwood makes some very excellent points. Unfortunately the down side points he makes generally seem to outweigh the good ones. On the one hand, if it's such a great idea, why did it take us 10 years to do it? He didn't make that point; I think he should have. He didn't do it.

MR. MARTIN: I don't think it's a good idea.

MR. GOGO: With respect, if the hon. member is really concerned with affordable housing for Edmonton Norwood and he's listened at all to the Member for Calgary McCall, the conclusion has to be that it presents a dichotomy to the hon. member. You can't possibly endorse higher land prices to your constituents on the one hand and argue against this Bill on the other. I shouldn't say you can't, because you continue to surprise me.

Mr. Speaker, I think the principle, covered by the Minister of Municipal Affairs, was with regard to double taxation. Why should owners of residential land pay twice? Assuming the owner of the residential land is a resident, i.e. he's in a home, and he owns another piece of land, he's really paying two sets of taxes for one education system. I think that's the principle the minister alluded to a moment ago.

The only area of concern I have would be this: on the one hand, we have this government with what — \$300 million? — in land, much of it residential land, having to pay the taxes each year as described by the minister. As I understand how the Alberta Home Mortgage Corporation works, each year they must capitalize that interest on and on and on, making the price of that land horrendous. So I would support it on the basis that we end up being able to afford affordable land to Alberta residents who want to buy from our own Alberta Home Mortgage Corporation. Secondly, as has already been mentioned, I

think we do have people with cash flow problems. This undoubtedly would help; there's no question about that.

One area I would be concerned with and would ask the minister to comment on in closing debate, Mr. Speaker, would be with regard to the consultation he has had with the municipal governments where these lots exist. For example, if they exist on many of the streets in this city or throughout Alberta — and this is where the good point, I think, is made by the Member for Edmonton Norwood — then perhaps the incentive of filling in, for adequate city planning, for adequate street cleaning in the winter . . . If you have 12 consecutive empty lots in a row, you're undoubtedly causing a great deal of expense by perhaps decreasing the incentive for people, particularly developers, to build homes on those lots. Therefore, I think that should be a factor, whereby municipal governments are asked as to their views on the removal of this tax.

Thank you, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. KOZIAK: I appreciate the contribution that hon. members made to the debate on second reading of Bill 99. In rebuttal and in summing up, I would like to deal with what I think may be a misinterpretation of the way in which Bill 99 would work. The Member for Edmonton Norwood suggested that this would encourage speculators to hold on to land. In fact, I submit it would be the opposite. If the Member for Edmonton Norwood, for example, had a quarter section of land within the city of Edmonton, that quarter section of land would not benefit from this piece of legislation. The only way that quarter section of land would benefit from this piece of legislation would be if the Member for Edmonton Norwood were to go about subdividing it and preparing it for residential development. Once he did so, once he subdivided it into lots for residential purposes, then he would benefit from that.

Now in order to do so, he must service the area. So if I'm to be to blame for encouraging the servicing of lots in the province, then I'll accept that blame. I'll accept the blame on behalf of those areas of employment that are highest in terms of unemployment today, in the residential field. I'll accept it on behalf of engineers who need the work; I'll accept it on behalf of planners who need the work; I'll accept it on behalf of truck drivers; on behalf of plumbers, gas fitters, electricians, road builders, laborers, concrete, sand and gravel movers. When the hon. member suggests that he's going to go around the province and explain what this Bill does, I hope he suggests to all those people I've listed that he opposed the concept of encouraging the development of lots in this province, and he opposed the opportunities for these people to be gainfully employed in this province.

MR. MARTIN: That's not what I said, Julian, and you know it.

MR. KOZIAK: Perhaps the hon. Member for Edmonton Norwood was poorly briefed, and this gives me the opportunity to correct that.

MR. MARTIN: You misunderstood.

MR. KOZIAK: I didn't misunderstand; not at all. And I'm sure that the hon. Member for Spirit River-Fairview couldn't have misunderstood him unless it was because he was out of the room.

Mr. Speaker, with the correction I have made, I hope the hon. Member for Edmonton Norwood, seeing the light, will now whole-heartedly support the concept contained in the Bill.

[Motion carried; Bill 99 read a second time]

Bill 102
Planning Amendment Act, 1983

MR. KOZIAK: I am pleased that I have a full complement of audience from the Official Opposition on this reading, Mr. Speaker, and I'm pleased to move second reading of Bill 102, the Planning Amendment Act.

Mr. Speaker, the matters that are raised in the amendments put forward in the Bill recognize property rights of Albertans. I have had some concern, in looking at the planning legislation, that perhaps the existing legislation has gone too far in certain respects. I am particularly concerned about the demands of our legislation for dedication in the event of a subdivision. It was brought to my attention that under the guise of the provisions of the Act which are known as environmental reserves, during the course of a subdivision the owner of land would be required to dedicate not only the 10 per cent required for schools and parks, not only the 30 per cent required for roads to service the subdivision, not only ravines and water courses and things of that nature, but hills, Mr. Speaker.

There is a real concern that good agricultural land should not be subdivided, and we generally find that good agricultural land is free of hills. That which is left must have hills. If that which is hills is to be dedicated as environmental reserve, that would leave very little for the purposes of housing. Under that type of interpretation, the city of San Francisco would never have been populated.

Admittedly, not all people take to this point of view. But what concerns me is that in this Legislature we pass legislation and delegate certain authorities and, from time to time in the exercise of responsibilities we provide to people under this legislation, there is somewhat of a lack of judgment. We have to review our legislation in this respect to ensure that we do not trample on the property rights of Albertans. For this purpose I bring forward the legislation in Bill 102.

The provisions dealing with the automatic dedication of environmental reserve, which appear in section 98(c), are repealed; 98(c) presently reads:

land that, in the opinion of the subdivision approving authority, is unsuitable in its natural state for development, unless the applicant for subdivision approval can show to the authority's satisfaction that that land can be made suitable for development

Mr. Speaker, I've not been convinced that that piece of legislation is at all necessary under the planning process that's required for the province.

Further, Mr. Speaker, there are provisions in the legislation that permit the Planning Board rather than the minister to provide for extensions, as is the present case. There are a number of those that are dealt with, and they would be more expeditiously dealt with if the Planning Board were given that authority immediately.

There is another aspect that deals with dedication which I would like to raise. The whole concept of a dedication on subdivision was with the idea of providing those lands in common required to service the subdivision. So when you took 160 acres and said, when developed and occupied that 160 acres is going to need a park and a school, it's only logical that that park and school come from within the 160 acres. Nobody denies that; nobody suggests otherwise. One must also get to all of

the properties contained in that subdivision, so you need roads and sidewalks. Nobody suggests that there shouldn't be a dedication of roads and public properties for sidewalks and that type of thing. There are requirements for utilities and that type of thing.

The concept is that there is a dedication of those lands required to service that specific subdivision — not the entire city, not the entire province. So when questions of freeways are brought into the discussion, there is never any dedication of lands for freeways, because freeways aren't there to service that subdivision. They are there to service the entire city. It's never suggested that there be a dedication for that purpose.

There has been a suggestion from some quarters that LRT lands should be dedicated out of a subdivision. Everyone knows that LRT is not required to service the subdivision; it's required to service the entire community. If there is a payment to be made for LRT, it should be made by the entire community, as the entire community is the beneficiary of that process. To make it clear that there is to be no dedication for LRT purposes on a subdivision, a new definition for public utility is provided in the legislation.

With those brief remarks, Mr. Speaker, I ask all hon. members to give their whole-hearted support to this legislation in support of property rights in this province.

[Motion carried; Bill 102 read a second time]

Bill 89
Appropriation (Alberta Heritage
Savings Trust Fund, Capital
Projects Division) Act, 1984-85

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 89, the Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Act, 1984-85.

Mr. Speaker, I don't believe that discussion at length is necessary with regard to this Bill, insofar as the 18 projects involved in it have been debated at considerable length during Committee of Supply discussion. The total sum is slightly over \$287 million, and I commend to the Assembly the various projects which are contained in it.

[Motion carried; Bill 89 read a second time]

CLERK ASSISTANT: Bill No. 100, Alberta Income Tax Amendment Act, 1983 (No. 2): the hon. Mr. Hyndman.

MR. CRAWFORD: Mr. Speaker, I've briefly been out and was just wanting to be briefed. I haven't yet had time to do so on the Bills that have been dealt with. I believe that 99, 101, and 102 have been dealt with, along with 89, 91, and 95.

AN HON. MEMBER: We haven't done 101 yet.

MR. CRAWFORD: Not 101? Then that should be called next.

Bill 101
Alberta Corporate Income Tax
Amendment Act, 1983 (No. 2)

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 101. Like most taxation Bills, this is a somewhat complex piece of legislation, but it does not contain matters of very large significance in terms of very, very large policy issues.

The first of the amendments, in effect, continues the status quo in providing what are the existing Alberta tax benefits to

small businesses, particularly as they relate to the small business deduction for personal service businesses.

The second amendment defines more clearly than has been the case in the statute in the past the entitlement of a company or a corporation to the royalty tax credit where there is an amalgamation or a change in the year-end of that particular company.

The third amendment of significance requires that claims for the royalty tax credit be filed within one year after the taxation year. What that does is ensure that there isn't a contingent liability outstanding, which makes planning in a financial way very difficult, and provides that there must be a reasonably prompt application for a royalty tax credit.

The other amendments are purely technical and clarify certain technical matters where there were misinterpretations possible.

[Motion carried; Bill 101 read a second time]

MR. CRAWFORD: Mr. Speaker, maybe I can use this opportunity to discourse with the learned Leader of the Opposition. The Assembly has completed a number of second readings tonight, and that's all it was intended to call this evening. I had not discussed with him earlier the question of Committee of the Whole, and propose that in order to make use of the evening, some of those be proceeded with. Any that the hon. leader wished held, we would hold.

MR. NOTLEY: Mr. Speaker, I think we would want to hold Bill 81, the boundaries Act. I'm just going through these Bills very quickly here. We wouldn't want to rush into that one.

MR. COOK: You can speak for an hour and a half, Grant.

MR. NOTLEY: I know the hon. Member for Edmonton Gleggarry wants to get his name in *Hansard* somehow. Mr. Speaker, with the exception of Bill 81, which I'm sure the Official Opposition along with our colleagues in the Independent caucus would want to debate at some length — perhaps about three weeks worth or more — I think we could proceed with Committee of the Whole.

MR. CRAWFORD: Thank you. Mr. Speaker, I'll just note that there are several where either amendments may be yet to come or sponsors of the Bills are not here this evening. I'll send the Clerk a list of the ones which should be called.

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

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

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Will the Committee of the Whole Assembly please come to order. We have a number of Bills for consideration.

MR. NOTLEY: Mr. Chairman, before we proceed, perhaps you would be good enough to give members of the committee the tentative list that the Government House Leader supplied you with, so we can make preparation. We have no intention of unnecessarily holding up the proceedings of the committee, but I think all members of the committee would like to know the agenda for tonight.

MR. CHAIRMAN: We just had a preliminary list here to start with, but we will now give the complete list to all the members. The Bills that are due for consideration are 72, 73, 74, 76, 77 to 80, 83, 86, 87, 96, and 97. Are there any further questions regarding the sequence?

Bill 72

County Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments?

[Title and preamble agreed to]

MR. STILES: Mr. Chairman, I move that Bill 72, the County Amendment Act, 1983, be reported.

[Motion carried]

Bill 73

**Department of Tourism and Small Business
Amendment Act, 1983**

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act?

[Title and preamble agreed to]

MR. ADAIR: Mr. Chairman, I move that Bill No. 73, the Department of Tourism and Small Business Amendment Act, 1983, be reported.

[Motion carried]

Bill 74

Drayton Valley Townsite Repeal Act

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act?

[Title and preamble agreed to]

MRS. CRIPPS: Mr. Chairman, I move that Bill No. 74, the Drayton Valley Townsite Repeal Act, be reported.

[Motion carried]

Bill 76

Agricultural Pests Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act?

[Title and preamble agreed to]

MRS. CRIPPS: I move that Bill 76, the Agricultural Pests Amendment Act, 1983, be reported.

[Motion carried]

Bill 77

Farm Home Improvements Repeal Act

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act?

MR. NOTLEY: Just before we complete committee reading of Bill No. 77 — and I'm sorry I missed second reading — as I

understand it, this Act as it's presently presented to the committee would change certain guarantees that are made available to farm people. I guess the question I would put to the hon. member and ask him to respond — and I may have some supplementary questions. In some places in the province, the situation that was the basis of this Act in 1959 has not changed that much. Homesteading is still going on in the north of the province. The hon. Minister of Tourism and Small Business well knows that we have areas in the province, the La Crete area for example, that have opened up in the last few years. As homesteaders slowly established themselves on new land over the course of years, the kind of assistance that has been made available by the legislation we're repealing would be most welcome.

I guess the question I would put to the hon. member, Mr. Chairman — and I may have supplementaries — is whether or not the government is satisfied that there is no longer a need for this type of legislation, and he might identify on what basis the government came to that conclusion. Given the fact that we've heard members on both sides of the House talk about the need to open up new areas of this province — we have 5 million acres of arable land. It seems to me that by the repeal of this kind of legislation, we make it more difficult for those people in most need of the help of a Bill such as the one we are now repealing.

So I'd like the member to respond. I think that in addition to the homestead areas in northern Alberta — areas in northwestern Alberta by and large, but also in parts of northeastern Alberta — the Metis settlements might well benefit under this Bill as it is presently worded and that the member now seeks the consent of the committee to support its repeal.

So in view of the fact that we have an opportunity this evening — we're not in a rushed atmosphere — perhaps the member could answer a number of questions. First of all, Mr. Chairman, I would like to know from the Member for St. Paul what his role was in the preparation of this Bill: what particular advice he sought in proposing this Bill, what objective evaluation, the form of consulting reports he has, what visits he's made, if any, to the homesteading areas that would be directly affected. Perhaps he could start by giving us a run-down of his preparation, if you like, for the promotion of a Bill that is going to repeal. I think that any time we repeal legislation, particularly legislation that benefits rural Alberta especially — we had a lot of loose talk about rural Alberta between 4:30 and 5:30 today from certain government members.

I'd like to know particularly what kind of research has gone into the preparation of Bill 77 and, as I say, there may be a number of supplementary questions we'd like to direct to the hon. member.

MR. DROBOT: Mr. Chairman, the repeal of this Act is of course because it is covered under the Agricultural Development Corporation, also known as ADC. My preparation for this has been that I have studied this and I have sat on agricultural development committees. We have this covered by present legislation. I cannot see how . . . It's a merely a duplication.

MR. COOK: Mr. Chairman, I wonder if I might also make a comment. I'd like to commend the hon. Member for St. Paul for being involved in the process of developing this legislation. I know he has been very active in the ag. caucus. The legislation, as I understand it, is redundant. It's already in place under other headings. I think the hon. member has done the Legislature a great service in drawing this to our attention and

getting it cleared off the books so that we don't have legislation that is repetitive.

MR. NOTLEY: Mr. Chairman, I'm always delighted to see the Member for Edmonton Glengarry attempt to run a little interference, however ineffective that run may be.

MR. MARTIN: He fumbled again.

MR. NOTLEY: His background in the area is not very substantial, and I think I'd be more interested in the information that the hon. Member for St. Paul would be able to bring to this committee.

Now, Mr. Chairman, I have some specific questions of the mover of this Bill. I would like to know whether the mover of the Bill visited any of the areas that would be directly affected in the northwestern part of the province. Has he been to La Crete? Has he been to that area of the province? Has he sat down and discussed this matter with them?

In view of the fact that we're now removing certain basic guarantees that people can expect in terms of improvement of their farm homes, I would like to know in what way precisely — because we're now in Committee of the Whole; this is not the time for general speeches — how the ADC programs will address, in a very detailed way, the Bill that we are about to remove. It's fine for Tories to say, we're going to get rid of Bills. If you're going to get rid of Bills that provide protections for people, we want to know precisely how the program applies.

The Member for Edmonton Glengarry, who suddenly becomes a rural affairs expert — God help the Tory party — has come to the member's aid. But I would say to the Member for St. Paul, who is responsible for this Bill, not the Member for Edmonton Glengarry, that I'd like to know in what way current ADC programs will accommodate the basic protection that was afforded to Alberta farm families by the former Act.

MR. DROBOT: Mr. Chairman, further to my comment, I was a member of the Northern Alberta Development Council. I have travelled extensively to many of those communities perhaps referred to by the hon. Member for Spirit River-Fairview. I also maintain that the Farm Home Improvements Act is covered under the Alberta development corporation Act. It's merely a repetition, and therefore this Act is redundant.

MR. NOTLEY: Mr. Chairman, I'm glad to hear the member's opinion, but what we have at the moment is his opinion. I didn't ask him for his opinion. I could ask for the Member for Edmonton Glengarry's opinion, and we know what that would be worth. But I'm asking for specific information. We're now dealing with Committee of the Whole. We're not dealing with second reading, we're not dealing with first reading; we're dealing with Committee of the Whole. I want to know from the member, with his experience, precisely what protection is now afforded by the ADC. For example, I note that under the former Act, home improvements would include

water systems, sewage systems, central heating systems, insulation, concrete basements, new floors, new roofs, new siding, painting, interior decorating and remodelling

Mr. Chairman, before we pass this Bill in committee stage, I want to know from the member who is proposing it precisely how ADC accommodates these concerns. Frankly, as a northern MLA I think there are gaps in the ADC program. I would like to know specifically how those gaps are going to be covered by existing programs before you can ask me or any other member of this committee to vote in favor of committee stage. As I say, we're now dealing not with generalities but with details.

Don't give me the fact that ADC can cover it; tell me precisely how they will cover it with a given program.

MR. DROBOT: Mr. Chairman, if the hon. member would care to elaborate on what specifics he is saying are missing from the Agricultural Development Act, perhaps we could answer his question.

MR. NOTLEY: I've just given you a number of cases that were covered by the former Act. I want to know. You see, when one is presenting a Bill, it is incumbent upon the person presenting the Bill to outline the reasons as to the change. And the reasons, when we get to committee stage, have to involve the details. When questions are put, it simply isn't good enough to give me a recitation. I've already outlined some of the provisions that are covered by the former Act. I now want to know how those problems which were covered by the former Act will be covered by the ADC. If you can give me reasons, fair enough; if not, I think we should hold the Act until such time as you can.

MR. STROMBERG: I'm sorry, Mr. Chairman, that I came in late.

MR. CRAWFORD: We're all sorry, Gordon.

MR. STROMBERG: Yes. But I'm very grateful I didn't have to listen to all this debate.

Who else better than ADC to be involved in this, with the advice that they get from their agricultural committees, which are made up of two farmers, a businessman, the district agriculturalist, and in some cases the local wildlife officer or someone representing lands and forests. That's good local input. It's sure a heck of a lot better than the offices of the socialist party.

MR. NOTLEY: I'm glad that the Member for Camrose has finally said something during this session of the Legislature. Somehow I don't think that that comment will go down in history as one of the great comments of this Legislature.

However, Mr. Chairman, let us come right back to the Act passed in 1959. It provides that the government

guarantees to pay to any bank that makes a loan to a farmer for home improvements the amount of any loss sustained on the loan up to 50% of the amount of the loss.

That's a very clear benefit.

Now, the Member for Camrose may find this difficult to follow, but the Member for St. Paul is introducing the Act. I want to know precisely how this change is going to be accommodated within the framework of present ADC policy. It's that simple. Unfortunately, hon. member, I would say to you that it is not. Unless you can tell me how a homesteader in La Crete is going to be able to obtain the same benefits from the ADC as he was able to get under the Act passed in 1959 by the former Social Credit government, then it isn't good enough to stand up and say we should repeal it or for the Member for Camrose to say we have two farmers and a businessman on the committee. Everyone knows that, so that's irrelevant. Who was on the ADC committee wasn't the question. The question is how this Act and how the ADC policy is now going to cover that need. The Member for Camrose can ...

MR. STROMBERG: Mr. Chairman, on a point of order.

MR. NOTLEY: Go ahead.

MR. STROMBERG: May I just mention to the hon. Member for Spirit River-Fairview that there is talent on those committees.

MR. NOTLEY: Mr. Chairman, there might be talent on the committees; I'm not sure in the Legislature.

But I want to come right back to the member who is sponsoring the legislation. Notwithstanding the efforts of the Member for Camrose which, at the moment, I think even his colleagues are trying to figure out, let me come back to the member. On what basis can this legislation cover the program that was available by legislation passed in 1959? If you can present to this committee chapter and verse, how it's going to be done, fair enough. If you can't, hon. member, then I suggest we hold the thing over until such time as you can.

MR. DROBOT: Mr. Chairman, under the Farm Home Improvements Act, "home improvements" means improvements to the home of a farmer situated on a farm and includes:

- (i) water systems, sewage systems, central heating systems, insulation, concrete basements, new floors, new roofs, new siding, painting [et cetera] remodelling, and
- (ii) additions to the [farm] home when the addition is a bathroom or provides for a bathroom

Under the farm development Act, which is under the ADC, it means:

constructing, altering, repairing or extending buildings on [farm] land owned or being purchased ...

including the purchase of mobile homes and modular homes to be located on the farm land.

Therefore, I maintain that the Act is similar and is covered under the Agricultural Development Corporation.

MR. NOTLEY: That's all very well and good. But it seems to me that the difficulty we as members of the committee, and I think all members of the committee on both sides of the House, would want to assess carefully is the simple problem that — and I don't know how many homesteaders are out in St. Paul, but I know that in northern Alberta one of the problems that all the MLAs would have to deal with on an ongoing basis. People have come to us and said: we made application to ADC for the range of programs or perhaps a limited number of programs or perhaps just one program, and we were turned down. There was certain general protection afforded by the Act which you've now shifted to ADC, and there are problems. We now have a budgetary restraint policy.

I think we need to know — and I say this not in an obstreperous way but to try to get the bottom of what the government is going to do. And the hon. Member for Edmonton Glengarry shouldn't lean over like that. He will probably fall on his face, and we wouldn't want him to fall on his face dramatically.

MR. MARTIN: He does all the time.

MR. NOTLEY: Figuratively speaking is fair enough, but physically it would be — someone says it wouldn't do any damage. I thought he was a friend of yours, Rollicie.

Because we all know that ADC is a process in which a number of people fall through the cracks, I ask the member what kind of protection is going to be provided for those people.

MR. DROBOT: Mr. Chairman, under the Farm Home Improvements Act, the maximum was \$500. The loans that are under the farm home improvement for ADC are up to \$5,000. Does the hon. member wish to say that he wishes the Act to have a ceiling of \$500?

MR. NOTLEY: I didn't say that at all, Mr. Chairman, and I want to make that absolutely clear. We all know that for modest

improvements — and the member must realize this, coming from a rural area. I travelled out in his constituency in 1960 and 1961, and went to homes that didn't have bathrooms. What a major step forward that was.

MR. KING: You travelled there in 1982.

MR. NOTLEY: Yes, I travelled there in 1982. And I travelled there in 1961 when the hon. member across the way was still in short pants, although it's a good thing he wasn't near Kanaskis because they probably wouldn't allow him in unless he had a suit on. The fact of the matter is that I was out there and I know the kind of help this program provided. We know that ADC will make more money available; that's fair enough. But they make more money available on a very selective basis. The member knows that. The member sat on the committee. The member sat on the appeal committee, I trust. He knows that some appeals are accepted and some are rejected. As a member of this Legislature, I'm sure he would have had to deal with people who have come to him, as they've come to other members, and said: our appeal has been rejected.

I'm simply saying to you, on what basis are we making that change? Give us the reason; give us the rationale. What are we going to be doing to provide some kind of protection? In 1959, as the hon. member well knows, \$500 was equal to \$5,000 today, or close to it, considering the rate of inflation over the last decade. What in fact are we doing? This committee is being asked to repeal the Act, not to modify the Act but to repeal the Act. If you're going to repeal the Act, then we have to know that what is being put in its place for rural people is equal to, or better than, what we have.

I would say to the member that at this juncture ADC has operated since 1972, has had programs in place, companion programs, parallel programs, to the benefits provided by the Act passed in 1959. Why the repeal now? Why not 1975? Why not 1978? Why not 1979? Why now?

MR. DROBOT: Mr. Chairman, when the hon. member says why now — what better time? In fact, the loans in the Peace River area were in the amount of \$820 million for the year 1980-82.

AN HON. MEMBER: Holy smoke.

MR. DROBOT: Pardon me, Mr. Chairman. I meant \$63 million and a total of 820 loans. Perhaps the hon. member should have looked at the annual ADC report, and he would have seen that it does cover farm home improvement.

MR. NOTLEY: I don't want to badger the Member for St. Paul ...

MR. MARTIN: He's supposed to know the Act.

MR. NOTLEY: Yes, he's supposed to know the Act, and I have read the ADC. I've worked with the ADC for a number of years, quite a number of years as a matter of fact. I think I can say that some of the things the ADC has done over the last 11 or 12 years have been excellent, and in some areas there's weakness. Anybody from rural Alberta who is an MLA that bothers to listen to his or her constituents at all will know that there are problems from time to time. I've heard members from both sides of the House raise those problems.

What we have at the moment is a program that was established in 1959 to provide farm home improvements, supported by the then government. It was a fairly modest figure, but not

modest by today's standard if you look at the rate of inflation in the last 20 years. It was a progressive step taken by the Manning government. Mr. Chairman, you may recall this as you were active in politics in those days. It was part of the five-year plan, as I recall, which we realize was as effective in earning the Manning government support at the polls as fighting Ottawa has been in support of the Lougheed government. That doesn't alter the fact that here we had a decision of the Legislature which was part of an overall program very substantially endorsed by the people of Alberta, including, I might say, the people now represented by the Member for St. Paul, whose member at the time was very active in helping to formulate that five-year program.

Mr. Chairman, if we're going to repeal legislation, it seems to me we have to know specifically on what that repeal is based. While simply telling us that the ADC provides programs is very nice, for those of us who have to deal with the ADC and know that those programs have large cracks that people fall through — when you have to deal with the problems, day by day, of people falling through those cracks — I think we have to know what the rationale was. So perhaps we could be a little more specific. Again, Mr. Chairman, we're in Committee of the Whole. Could the minister tell us, one, whether this repeal was his recommendation to caucus; two, whether he discussed this matter with the board of ADC to assure himself that the board members were convinced that ADC programs would cover the gap; or whether the initiatives for this Act came from other than the member and he was simply asked to sponsor it.

MR. LYSONS: Mr. Chairman, if I might, I'd like to get in this little discussion here and maybe shed some light on the other side. If the hon. Member for Spirit River-Fairview were even to read the Farm Home Improvements Act or if he had ever talked to anyone in the loaning business, he'd realize how inadequate the Farm Home Improvements Act really was in actual substance, particularly when you compare it with what we now have in place in this province under the Agricultural Development Corporation.

Certainly there are a few people that fall through the cracks under the agricultural loans, and there always will be. I don't think we can always have a loaning situation where anyone is expected to loan money to anyone. Having had some experience in loaning money, there are some people on a thermometer scale, and some people simply fall below zero. In the Farm Home Improvements Act as it stands, if the bank were to make a loan — albeit that it is guaranteed by the Provincial Treasurer — if this individual were to fall below zero and not make a payment, the bank would have to get permission to extend the loan period. If it fell even farther and farther, eventually the bank would say: no more of this; this is a write-off; we have to do away with it. The bank is going to recover 50 per cent after costs. No bank is going to be looking at that kind of loan when it's a marginal loan in the first place.

The other thing we must look at in this particular loan — the principle amount of the loan is repayable in not more than 10 years in instalments of not less than \$100 in each year. These things just don't happen any more. The loan policies these days are much different from when this Act was drawn up. I suppose at the time it looked okay, probably was okay, and maybe did serve some people. But in my experience, I don't know of any bank that really got very enthusiastic about it.

The Act simply says that "bank" means a bank or a treasury branch. As the hon. Member for Spirit River-Fairview well knows, a good deal of the farm loans in the country these days, other than the Agricultural Development Corporation and the

Farm Credit Corporation, are made by credit unions. This Act is therefore antiquated. With the other methods we have in place to deal with loaning money to farmers, I maintain that we and the hon. member who brought in this Act are completely justified in bringing in the repeal of this Act, as it is an Act that bears no resemblance whatsoever to modern, real, present-day standards without a great deal of modification.

It's better that we repeal some of these Acts, get on with the business of running the province and get on with the business of getting legislation through this House that is important and not redundant.

Thank you very much, Mr. Chairman.

MRS. CRIPPS: Mr. Chairman, I'd just like to make a couple of points in support of what the Member for Vermilion-Viking just said. I have to agree that the Act is inadequate, and in my constituency I've had a number of people that I've advised to make application under this Act. Quite frankly, they haven't been able to qualify, and they certainly haven't been able to get any funding through this Act that would benefit them. I really think that maybe this is a discriminatory Act, if the Member for Spirit River-Fairview is getting so much benefit from it. I'm going to talk to the minister about that.

The Member for St. Paul must realize, of course, that he has to be put through the hoops, because you have a seat the NDP really did figure they had sewed up.

MR. ZIP: Yes, they even had Pawley from Manitoba down there.

MR. MARTIN: Speak up, I can't hear you.

MR. ZIP: You heard me.

MRS. CRIPPS: In any case, from the information I have from my constituents, I really don't think this Act is of benefit to the agricultural family. Unless there are some rules that would make it especially beneficial to northern Alberta — and I don't see any in the Act — it might just as well be repealed as far as my constituency is concerned.

MR. NOTLEY: Mr. Chairman, I'm delighted to hear the interjections of the members for Vermilion-Viking and Drayton Valley. As I listened very carefully to their arguments, the only problem I think they have, as usual with Tories, is their conclusion. The conclusion in both cases should be to improve and amend the Act.

The Member for Vermilion-Viking says that credit unions don't come under the Act. One of the interesting things about this Legislature is that we're continually, almost inevitably, amending Acts. So if the point the Member for Vermilion-Viking makes is that credit unions aren't included, fine. The Member for St. Paul should be introducing an amendment to include credit unions.

The Member for Drayton Valley indicates that people in her constituency haven't benefited under the Act. I would be surprised if that were the case, Mr. Chairman. I think large numbers of Albertans would have benefited under the Act. No Act is sacrosanct. No Act is such that it shouldn't be improved or modified. The fact of the matter is that we have certain things that I think have to be noted.

... the Government hereby guarantees to pay to any bank that makes a loan to a farmer for home improvements the amount of any loss sustained on the loan up to 50% of the amount of the loss.

I don't know whether this government is as concerned about farmers as they are about the Provincial Treasurer. That's really what's at stake in this legislation, isn't it? The way the Farm Home Improvements Act reads, the Provincial Treasurer has to pick up "up to 50%" of the loss. We now know that after the election, all these Tories have suddenly panicked; they're budget cutters, slashing the budget — spenders of the most extreme kind before November 2, 1982, but all of a sudden budget cutters after the fact. I think the Provincial Treasurer has probably taken his rural members out behind the sort of proverbial Tory woodshed and said: look, we have to keep these costs down — the Member for Vermilion-Viking would be the first behind the woodshed, I'm sure — because we have the economy in such a mess that we're going to have all kinds of these rural loans going sour, and I can't afford to pick up the pieces. The Provincial Treasurer is a very persuasive chap, and I have no doubt that he can present these arguments in a very firm, very effective — not dramatic, but effective — way.

Mr. Chairman, we are now being asked to repeal legislation. If the member had come in and said that this had been a formal recommendation of the Northern Alberta Development Council, if this had been a recommendation that I had received from Unifarm, the umbrella group of farm organizations, or if I had received representation from the Cattle Commission — I won't even mention the NFU; let's take all the sort of mainstream organizations in rural Alberta — or perhaps if there had been a formal recommendation from the association of rural MDs and counties, or the member had gone and met with the board of the ADC and said we have some problems, there are some cracks — the Member for Vermilion-Viking should be able to tell him that there are cracks in the present ADC program; any member from northern Alberta should know there are — and we can change programs; if we then had the Minister of Agriculture stand with a ministerial statement and say we're going to amend the ADC program in X, Y, and Z way, then fair enough, repeal the Act.

My colleague and I are not saying that any Act is one that will stand forever. Unfortunately, Mr. Chairman, we haven't got that from the government. What we have is a statement that it's redundant and it's dealt with by ADC, when most of us in rural Alberta know that there are problems with the ADC program. We're told on blind faith to repeal something. We have to have a better explanation than that.

I come back to the member and I put directly: was there any formal consultation with the board of the ADC, with the executive of the association of rural MDs and counties, and with Unifarm, before the government proposed this legislation to the committee?

MRS. CRIPPS: Mr. Chairman, in respect to the difference of opinion I and the Member for Spirit River-Fairview ...

MR. CHAIRMAN: The hon. Minister of Agriculture.

MRS. CRIPPS: I'm sorry. I wanted to ask a question of the minister.

MR. FJORDBOTEN: I'm sure we'll have enough time, Mr. Chairman. It took about all — to sit and listen. I'm always amazed. There was an old philosopher that once said that people all think they have a lion inside and they are afraid to wake it up for fear it will be a mouse. On this issue, indeed I have to say that the NDP has tried to stir a lion on an issue and found the issue to be a mouse.

One thing I found very humorous. The Leader of the Opposition states that the Tories don't look at amending any Acts

particularly, or getting rid of them; they should look at improving them. You would think that the NDP didn't really want to have Acts repealed that are redundant and don't really serve any purpose anymore. That's just not true. There are Acts that have to be taken out. There are also regulations that don't serve any worth-while purpose anymore.

In this case, I'd like to clear up any misconception. I asked the hon. Member for St. Paul. I mentioned the Act to him. The choice of that member was excellent in that he had served on an agricultural development committee was from northern Alberta and had that feel for the area of whether the Act would really serve a purpose or not. One of the reasons it was raised is that the Act is really redundant to the extent that no loans have been made for a number of years. It begs the question. Why were loans not made under this Act? If it's a good Act, why weren't any loans made?

The hon. member raised the question. He said that it must have benefited someone. Well, it did. It served well for the time it was there, but then the Agricultural Development Corporation came along. If they want to have specifics, it's very easy to get specific. I'll maybe pick a few of them.

Saying that the banks guarantee 50 per cent of the loan — that was great in 1959. But under the Agricultural Development Corporation, 10 per cent of all the loans of all the banks are guaranteed by ADC. It's far better than 50 per cent on one loan; it's 10 per cent of their accounts. That's presently there under the agricultural farm development loan part of ADC.

Also, the loan couldn't exceed \$5,000 under the old Act. Now the loan can't exceed \$100,000. I would say that's quite a variance, and really meets the challenges of the times. Also, the maximum term under the Farm Home Improvements Act was 10 years, and it was a guarantee. You couldn't get direct money; it was a guarantee. Now you can get it for 15 years. We have to recognize that the loan rate was prime plus one at the time the loan was made and it remained constant. That's fine. If interest rates go up, it's fine to have it pegged. But under the new Agricultural Development Corporation, the loan is prime plus one for a 10-year term, it's prime plus one and a half for over a 10-year term, and the loan rate is adjusted as the interest rate changes; it's a variable rate. So that gives far more protection to someone that wants to build a home.

In addition to that, everything that's covered under the old Act — everything — is now covered under the Agricultural Development Corporation, plus modular homes and mobile homes, which weren't really part of the scenario in 1959. That, of course, is very important to the northern part of the province, where in many areas they use modular or mobile homes.

There are a number of other factors in the Act that are important, but I think the key one is that if you're going to take something away, you replace it with something better. It has been replaced with something better — very, very much better. It was so much better, in fact, that loans weren't made under the old Act. I think that good government policy is always that you must reassess what you do: you must reassess the regulations and Acts that you have, and you amend the ones that need to be amended to meet the challenges and the economic times of 1983 or 1984, or whatever it might be. But you don't do away with it unless you have something better to put in its place.

I think this is a special move, recognized and worked through to make sure that the impact was in the northern part of the province where I thought it would have the most impact. To have a northern member work hard on this Act was special.

Thank you, Mr. Chairman.

MR. NOTLEY: Mr. Chairman . . .

MR. CHAIRMAN: Did the hon. Member for Drayton Valley have a question?

MRS. CRIPPS: Yes, Mr. Chairman. My question was with respect to the difference of opinion that I and the Member for Spirit River-Fairview had on the value of the Act. I was going to ask the minister how many loans had been made in recent years. It seems that my evaluation of the benefit was far more accurate than the hon. member's.

MR. CHAIRMAN: The hon. Member for Camrose.

MR. STROMBERG: I want to get in the last word. I'll let the hon. Member for Spirit River-Fairview spout off again.

MR. NOTLEY: Mr. Chairman, I certainly will stand after the Member for Camrose. It could go on all night. We'll see who can out-blink one another at twelve o'clock hon. members — if there is anyone else here but ourselves at that point.

Mr. Chairman, there are several comments I'd like to make, and then I may have some observations after the Member for Camrose. I think what we received from the minister was an explanation. However, there are several problems with that explanation. One is that under the current Act, notwithstanding the fact that it has been allowed to sit for a number of years — of course, whose fault is that? This government came into office in 1971, 12 years after the Act was passed. So at any time in the last 11 years, changes could have been made. But under the terms of this Act up to 50 per cent of any loss sustained on a loan is guaranteed by the province. Of course, that makes it much easier to obtain a home improvement loan. There are a large number of people in northern Alberta — not in the last few years; no one has said there has been — over the period of this loan's existence since 1959, especially in the first few years, who in fact did obtain money under the Farm Home Improvements Act.

Mr. Chairman, we all know what happened in 1972, with the creation of ADC and the whole myriad of programs, and the encouragement of people to bring together all their loans in one guaranteed loan or a direct loan from ADC. I remember Dr. Horner when he was Minister of Agriculture recommending that. It was the kitchen table approach, where we'd sit down and say: okay, you've got a farm improvement loan, or you've got a Household Finance loan, or you've got a loan on the tractor or what have you; we'll put this all together, and over the kitchen table we'll work it out. In some cases it has been worked out; in some cases not. Because there have been a number of cases where it hasn't been worked out, I for one have to be convinced that moving from a principle which puts the Treasury at risk, admittedly, but in the process encourages people to improve their living standards in a very significant way — I have to be convinced that in fact this has been covered.

Mr. Chairman, I again put to the member introducing the Bill some fairly simple questions. If this had been as a result of a request from the organized farm community, fair enough. I'm very close to people in Unifarm. It may be that I missed it, but I don't recall any submission from Unifarm saying, repeal the Farm Home Improvements Act. Maybe they did, but I don't recall it. And I, as I'm sure will most of the rural members, will be going to the Association of MDs and Counties in a few days time. I don't recall any resolution coming from them.

Mr. Chairman, I say to the member: I would like to know where it came from. Is it a government caucus decision? Does it come from the minister? Does it come from the member? To what extent has there been formal consultation with the ADC

committee and the stakeholders in rural Alberta, in particular the Association of MDs and Counties and Unifarm?

MR. FJORBOTTEN: Mr. Chairman, I'd like to respond to that. There's been no consultation with them at all, because we don't react on that kind of basis. We look at the present Acts, what they cover, and what programs there are, and make sure that we always work to improve them.

To be more specific, the reason that there wouldn't be any response is that the old Farm Home Improvements Act was on improvements only. You could only improve a home that is situated on the farmer's land. As the Member for St. Paul stated, it included water systems, sewage systems, basements, floors, remodelling, and a number of other things, but only to the present home. It could provide a bathroom. But now, under the Ag. Development Corporation, it's constructing, altering, [interjection] — I'll get to that — repairing or extending buildings on farmland owned or being purchased, or a mobile home. It covers a wider range by far.

Something you've got to remember is that the 50 per cent isn't the owner having to put up 50 per cent. Under the Agricultural Development Corporation, he puts up 20 per cent equity. We have a blanket coverage through the banks. If they put out an Alberta farm development loan, 10 per cent of whatever the portfolio is, is covered. That's a lot better than 50 per cent of one specific loan. If that one loan goes, that triggers that guarantee. It's harder for him to get money. But when he goes into the bank and knows that the Agricultural Development Corporation is guaranteeing 10 per cent of their total portfolio, they know that they can eliminate 10 per cent of the risk and make more loans to producers than they could — than having someone come in and say I want a loan, and they know that they're at risk for 50 per cent. It's a lot easier to get loans.

I don't recall — and the Member for St. Paul and I checked. There has been no interest in this particular loan Act, because it wasn't as good as what we presently have. They're not going to buy a Ford if they can get a Cadillac at the same price. Also, as far as being one where the banks said, for goodness' sake, don't get rid of it because it's far better for us — we never heard that. We certainly never heard from any farmers saying that it's going to be a lot harder to get a loan at 50 per cent than it is at 10 per cent of the guarantee when I go into the bank.

So I assure the hon. Leader of the Opposition, Mr. Chairman, that everything that's in the old Act is present under the Agricultural Development Corporation, the new process, plus each thing is improved to make it benefit each one in Alberta more today than it ever did.

MR. STROMBERG: Honestly, Mr. Chairman, when I think back prior to the last election, and each election that I've been in, when the hon. Member for Spirit River-Fairview would come into Camrose and promise a little bit — the sun's coming up here in the west. But very, very fortunately, when he spoke to the few in Camrose it fell on deaf ears. They turned their hearing aids off.

But I was amazed that the member could make the statement, pointing to the Member for St. Paul: have you talked to the ADC officials? Of all the times the member has come into my constituency, begging a few votes, he didn't walk over to the headquarters of ADC, one block off main street. Why didn't he go in and sit down with the board chairman? Why didn't he speak with the officials and find out what is really happening?

I was a little disappointed in the remarks of the Member for Spirit River-Fairview, and — I've got the floor.

MR. MARTIN: On a point of order. This has been called on me many times. The member is totally out of order. He's not speaking to the topic at all.

MR. STROMBERG: I am now, Mr. Chairman. I'm referring to a remark made by Spirit River-Fairview to someone across the floor, that he was around when that member wore short pants. I can tell the Member for Spirit River-Fairview that many of us, in the years of our experience, were around before he could wet on the ground. In a sense, I live with ADC . . .

MR. CHAIRMAN: Perhaps the hon. Member for Camrose would like to keep his comments strictly on the Act.

MR. STROMBERG: Yes, Mr. Chairman. ADC headquarters are in Camrose. I'm fairly familiar with them. Once in a while I meet with them. I'm a member of service clubs they belong to. We meet at chicken suppers; we meet at many events. But honestly, tonight I've seen a comedy act. If ever there was a Mutt and Jeff act, this is it.

But the arguments in the past put forward by the Leader of the Opposition — sometimes I've thought they've done their research; it's fairly sound; it's fairly reasonable. But I'm really disappointed when I see that we're spending \$500,000 per year of the ratepayers' money of Alberta — and that boils down to 25 cents for every man, woman and child in my constituency in Alberta — for the running of his office. Where is his information coming from?

Mr. Chairman, I don't think he knows what the heck he's talking about, and he's sucking a lot of air.

MR. NOTLEY: I'm certainly glad . . .

MR. CHAIRMAN: The hon. Member for St. Paul was recognized at the time of the Member for Camrose.

MR. DROBOT: Thank you, Mr. Chairman. I am astonished that the hon. Leader of the Opposition is not familiar with the agricultural development program after his long tenure in the opposition. Representing an agricultural community, perhaps he should be more familiar with the wishes of his constituents. Certainly the Agricultural Development Corporation incorporates all of the Farm Home Improvements Act, as it was before.

I have a mandate from my constituents. I discussed the matter with the minister and with the agricultural development committee. My constituents gave me that mandate, and I am here to represent them. Continue with your baiting, sir.

MR. NOTLEY: Mr. Chairman, I must confess . . .

MR. MARTIN: He hasn't even read the Act.

MR. NOTLEY: . . . that the members are a little touchy tonight.

MR. MARTIN: He hasn't even read it.

MR. CHAIRMAN: The Chair has some difficulty understanding which member of the opposition is speaking. Perhaps the Member for Edmonton Norwood would make a decision.

MR. NOTLEY: Mr. Chairman, let us go back to sort of summarize a few comments in a calm way and not get exercised or worried about it. The Member for Camrose has made some observations. I don't blame him for being a little touchy. He

doesn't often get a chance to speak. Fair enough. I think one has to be chivalrous and let him have a chance to speak.

Mr. Chairman, the fact of the matter is that the question I put to the government was that if you are going to make changes to an Act, you explain why. If that response had been to explain why, right off the bat, we would have had the kind of debate that would have been useful. Instead, we get all kinds of chippy comments from people who really haven't had a chance to think through what they're doing, and we get into a debate. I don't mind that. I rather enjoy that.

Mr. Chairman, if members in the government caucus are a little exercised at this point, including the Member for Camrose — if he would pay attention once in a while, he might just observe the debates a little more carefully. When a request is made for information, that information should be supplied.

What have we heard? I'll review what we've heard. We've heard that the government has decided to change the Act — obviously not the member but the government. The government has a right to do that. But before you change an Act, it's reasonable that you consult the stakeholders.

AN HON. MEMBER: I can't hear you, Grant.

MR. NOTLEY: I am sure members can hear me if they listen. Perhaps if I speak a little more softly, they'll listen — less chatter in the background. Maybe even the Member for Camrose can hear me.

You consult the stakeholders. The minister tells us tonight that he hasn't consulted Unifarm, he hasn't consulted the Cattle Commission, he hasn't consulted the National Farmers Union, and he hasn't consulted the Association of MDs and Counties. He and the Member for St. Paul have made a decision. The minister tells us that all these things which were available under the existing Act are now covered — covered, but in a somewhat different way. The essence of any debate is not to get exercised and frothing at the mouth, and everything else, but to examine whether it is covered adequately in the way in which it's covered.

The minister made a very plausible answer. I don't totally agree with it, but I can accept it as a reasonable response. What we have heard from some of the backbenchers is ample demonstration as to why they are still backbenchers. With eloquence undisguised by anything else, the Member for Camrose has shown beyond doubt why he is still a backbencher. He gives me more respect for the Premier every time he opens his mouth.

Mr. Chairman, the fact that the Member for Camrose is a backbencher doesn't alter the fact that we have a change in legislation which was done by the government without consultation. While the minister can stand and say that we now cover 10 per cent of a broad array of loans, the fact of the matter is that under the old program it was up to 50 per cent — with a ceiling, admittedly. The banks didn't like it very much; no question about that. It was superceded in part. But the point that I think we have to ask ourselves in this committee is whether it would have been better to modify and extend the scope of the existing legislation passed by the Manning government or whether we should repeal it in the hope that the present ADC structure is going to handle the situation.

Mr. Chairman, I have to tell you that I don't question the motives of any member of this House. But after 12 years of dealing with the problems of ADC loans — sitting down with committees throughout the Peace, going to regional meetings of the committees, and going to provincial meetings of ADC committees — I probably have a good deal stronger grasp than most members of this committee about how the ADC operates. I guess the only one who might exceed it would be the Member

for Edmonton Glengarry, who is suddenly the rural affairs expert and the next Minister of Agriculture in the government. Apart from the Member for Edmonton Glengarry's unparalleled understanding of rural Alberta, sophisticated grasp of world economics, and total popularity within the Conservative caucus — notwithstanding those factors, I still say to members of the committee that before we repeal legislation, we have to know that what we are replacing it with is better.

I guess I have to say to the Minister of Agriculture that there are still some question marks as to whether repeal would have been preferable to amendment. That is surely the issue that must be addressed. Amendment? No question. The fact that loans have not been made to any significant extent in the last few years obviously necessitates an evaluation of whether there should be an amendment or whether it should be repealed.

Mr. Chairman, to date, I for one have to express some questions which remain unanswered during committee stage.

MR. COOK: I will wear my hat as a rural member. Mr. Chairman, there are two quarter sections that have not been developed in the constituency of Edmonton Glengarry. As a result, I think I qualify as a rural member.

MRS. CRIPPS: What number soil, Rollie?

MR. COOK: Number one.

I would like to make a couple of quick remarks. I think the hon. Leader of the Opposition must be some jealous about the success of the hon. Member for St. Paul. The NDP had its sights aimed pretty clearly on that riding, the hon. member blew them away. They are still mad.

Mr. Chairman, what we saw tonight was that the explanation of the Member for St. Paul at the outset of the debate was not acceptable to the hon. Leader of the Opposition. Yet the same explanation at the conclusion of the debate — the Act is redundant; it has been replaced by ADC — was somehow acceptable just a few minutes ago. I find that interesting.

I have some advice for the hon. Leader of the Opposition, and it is very simple. I am not sure if he talked to all the stakeholders, as he referred to. But before he gets into a stew, I think he should make sure of his facts before he starts roasting somebody. I guess what I am trying to say is that before he starts beefing in the House, he should get his facts straight.

[Title and preamble agreed to]

MR. CHAIRMAN: Does the hon. Member for St. Paul wish to move that the Bill be reported?

MR. DROBOT: Mr. Chairman, Bill No. 77, the Farm Home Improvements Repeal Act, should be reported.

[Motion carried]

Bill 78

Names of Homes Repeal Act

MR. CHAIRMAN: Are there any questions or comments regarding this Act? All those in favor of Bill No. 78, please say aye. Those opposed, please say no. The Bill is approved.

MR. COOK: Mr. Chairman, I noted that the motion was approved unanimously, including the votes of the Leader of the Opposition and the Member for Edmonton Norwood.

MR. MARTIN: Mr. Chairman, if the Member for Edmonton Glengarry doesn't mind, I will record my own vote. Thank you.

[Title and preamble agreed to]

MR. R. MOORE: Mr. Chairman, I move that Bill 78, the Names of Homes Repeal Act, be reported.

[Motion carried]

Bill 79
Marriage Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act? Is there an amendment?

MR. McPHERSON: Yes, Mr. Chairman. I offered first reading of the Marriage Amendment Act, 1983, on October 21, 1983, and second reading on October 26, 1983. I understand that all members have received an amendment. The amendment offers that section 3(a) would be amended as to the proposed section 7(1), by striking "up to five years" and substituting "five years or less".

MR. CHAIRMAN: Perhaps the hon. member could let us have that copy, because we don't have one here.

There is an amendment to Bill 79. I understand this has been circulated. Are there any questions or comments regarding the amendment?

[Motion on amendment carried]

[Title and preamble agreed to]

MR. McPHERSON: Mr. Chairman, I move that Bill 79, the Marriage Amendment Act, 1983, be reported as amended.

[Motion carried]

MR. CHAIRMAN: Bill No. 80, the Alberta Heritage Savings Trust Fund Special Appropriation Act, 1984-85. Are there any questions or comments regarding the sections of this Act?

MR. CRAWFORD: The minister isn't here, Mr. Chairman. I suggest that we go on to Bill 86.

MR. CHAIRMAN: We'll hold that one, then.

Bill 86
Manpower Development Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments regarding the sections of this Act?

[Title and preamble agreed to]

MR. JONSON: Mr. Chairman, I move that Bill No. 86, the Manpower Development Amendment Act, 1983, be reported.

[Motion carried]

Bill 87
Public Inquiries Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments?

[Title and preamble agreed to]

MR. CRAWFORD: Mr. Chairman, I move that Bill No. 87 be reported.

[Motion carried]

Bill 96
Mobile Home Sites Tenancies
Amendment Act, 1983

MR. CHAIRMAN: For this Act we have an amendment. I believe the amendment has been circulated to all members. Are there any questions or comments regarding the amendment?

[Motion on amendment carried]

[Title and preamble agreed to]

MRS. EMBURY: Mr. Chairman, I move that Bill 96, the Mobile Home Sites Tenancies Amendment Act, 1983, be reported as amended.

[Motion carried]

Bill 97
Landlord and Tenant Amendment Act, 1983

MR. CHAIRMAN: Are there any questions or comments?

MR. MARTIN: I wasn't here for second reading, so I just need some clarification. I happened to leave for 10 minutes on Friday and everything went through.

It's regarding one of the changes. It was clearly laid out before what the rate would be in terms of deposits, and now I understand that under 51(b) it says: "respecting the rate of interest under section 38(1)(c)". That's dealing with the Lieutenant Governor in Council. I wonder if the member could be a little more specific on how that will be arrived at. Is Mr. Hyndman, the hon. Treasurer, going to decide that, or is it the inflation rate? Are there any guidelines to indicate what that might be in the future? I recognize that 12 per cent up to 1983 is way above the inflation rate, although at one time it was below; it was 6 per cent. Maybe the hon. member could just fill us in on that.

MRS. EMBURY: Thank you very much, Mr. Chairman. I'm actually very glad that question was raised, because it gives us the opportunity to ask for any input or ideas that any member of the Assembly or any of their constituents might have on how the rate should be arrived at and what method of communication could be considered so that people will be aware of this.

At this time the minister has not decided exactly how this will be arrived at. As the date is approaching, which as you know has been set at January 1 in the coming year, it may or may not change. It may stay at the same rate. But if it is to change, then the minister is open to suggestions as to what ideas there may be in establishing that rate.

MR. MARTIN: To follow up, if I may, Mr. Chairman. If I understand the hon. member correctly, the decision has not been made but the minister is looking at what would be a fair rate, and that will come into place sometime after December 31. A decision will be made, say, in the middle of December or somewhere around that time.

MRS. EMBURY: Yes, that's exactly right, and hopefully it will be set in lots of time so that it will be well advertised and people will be aware of it.

[Title and preamble agreed to]

MRS. EMBURY: Mr. Chairman, I move that Bill 97, the Landlord and Tenant Amendment Act, 1983, be reported.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of the Whole Assembly has had under consideration and reports Bills 72, 73,

74, 76, 77, 78, 86, 87, and 97, and reports Bills Nos. 79 and 96 with some amendments.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, tomorrow morning it is proposed to deal first with Motion No. 26; following that, second reading of Bills on the Order Paper starting with Bills Nos. 90 and 93, and if there is time after that, other Bills available for second reading.

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