

**LEGISLATIVE ASSEMBLY OF ALBERTA**Title: **Monday, November 21, 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. M. MOORE: Mr. Speaker, I have the honor to table the annual report of Alberta Disaster Services for the 1982-83 fiscal year.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. ZAOZIRNY: Mr. Speaker, it is my pleasure today to introduce to you, and through you to members of the Assembly, 45 grade 8 students from Ian Bazalgette junior high school in the constituency of Calgary Forest Lawn. They are accompanied by their group leader, Barbara Will, and by student teacher Tony Barile. I would ask them to rise at this time and receive the warm welcome of the Assembly.

MR. PAHL: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Assembly, 25 grades 5 and 6 students from Satoo elementary school in the constituency of Edmonton Mill Woods. The students are accompanied by their teacher, Mr. Dave Fairfield. They are in the members gallery, and I would like them to rise and receive the traditional welcome of the Assembly.

Mr. Speaker, being even-handed, I would also like to introduce to you, and through you to members of the Assembly, some 55 students from Greenview elementary school. They are accompanied by their teachers, Mr. Don Briggs and Mr. Gerry Mittlestadt, and also by driver John Greco. They are in the public gallery, and I would ask them to rise and receive the traditional welcome of the Assembly.

MR. MARTIN: Mr. Speaker, I would like to introduce to you and to members of the Assembly, in the [public] gallery, representing the Committee of the Unemployed: Arnold Vibe and John O'Reilly, from Edmonton Centre; Fred Weller, from Edmonton Highlands; Glenn Wood, from Clover Bar; Wayne Klassen, from Smoky River; and Larry Johnston, from Medicine Hat. I would ask them to rise and receive the traditional welcome of the Assembly.

head: **ORAL QUESTION PERIOD****Constitution — Notwithstanding Clause**

MR. NOTLEY: Mr. Speaker, I would like to direct the first question to the hon. Premier. It is a follow-up to a question I put last week to the Attorney General, with respect to the option the government is considering of using a notwithstanding clause in the Constitution Act. Could the Premier advise the Assembly if, during the 1981 constitutional negotiations, it was the posi-

tion and initiative of the Alberta government that the notwithstanding clause would in fact apply to section 2 of the Act; that is, the Act which identifies the fundamental freedoms?

MR. SPEAKER: I have a little difficulty with this. This is 1983. As the hon. member knows, one of the very fundamental rules of the question period, even though it is often not applied, is that it has to be a matter of some urgency and is not supposed to be a matter of past history. I think we have been around that one before. It would seem to me that that kind of information could be sought outside the question period, without taking up the whole time of the House.

MR. NOTLEY: Mr. Speaker, on a point of order. The question really relates to an option the government is now considering. In reviewing that process of consideration, I think it is important to go back and find out what the situation was in 1981, in order to obtain the facts of the matter. Therefore, I submit that the question is in order.

However, I could certainly rephrase the question, and ask the Premier to advise the Assembly: in the process of considering the option of using a notwithstanding clause, was it the position of the government of Alberta that this notwithstanding clause should apply to section 2, dealing with the fundamental freedoms outlined in the Charter?

MR. LOUGHEED: Mr. Speaker, yes, it definitely was. The then premiers of Manitoba and Saskatchewan and the Premier of Alberta took the position in the constitutional discussions that we needed to have the supremacy of the legislature over the courts. As I mentioned in the House on November 6, 1981, we did not [want] to be in a position where public policy was being dictated or determined by non-elected people. We took the position that that therefore definitely needed to apply to section 2 of the Constitution, under fundamental freedoms, insofar as the American experience had been that judicial interpretations and other actions which were fundamentally different from the view of legislators were taken from time to time. So it was very definitely the view of the government of Alberta, supported by the then premiers of Manitoba and Saskatchewan, that the notwithstanding section, section 33, should apply to section 2.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. Was that understanding based on a very rare use of this notwithstanding clause, to deal essentially with what would be a miscarriage of justice as opposed to a policy difference of the Legislature with the Charter of Rights?

MR. LOUGHEED: Mr. Speaker, it was far beyond the issue of a miscarriage of justice. It would be when major matters of public policy were being determined by the court as a result of an interpretation of the Charter. It was the view of those of us who expressed that position, which ultimately prevailed in the constitutional negotiations, that it should be the legislators and not the courts that should determine these matters.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. Given that answer, what consideration is the government now giving to the difficulty that the notwithstanding provision creates for legal interpretation of the Charter of Rights? By that, I mean the importance of a coherent legal interpretation of the Charter throughout the nation and the development of a consistent national case law on fundamental rights.

MR. LOUGHEED: Mr. Speaker, it was the view of those who were projecting the fact that we needed a Charter of Rights within the Constitution that, having accepted section 33, they would find themselves with different positions across the country. We took the view that for those who wanted to project that point of view, it's quite possible that in a number of different circumstances over time the notwithstanding provisions of section 33 could be used, and therefore a different interpretation of the circumstances.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. So that the Assembly is clear, is it the position of the government that a policy matter then comes within the purview of the notwithstanding clause, as opposed to what I think is a generally accepted public view, that only the most rare and unique circumstances of vital importance should ever justify the distinguishing of rights among Canadians by provincial legislatures?

MR. LOUGHEED: Very definitely, it's a matter of public policy. The supremacy of the Legislature needs to prevail, as I mentioned on November 6, 1981, over the decisions or conclusions of non-elected judges. That's the view I expressed, and that's the view contained in the Constitution.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. That's the view the Premier has expressed. Can the Premier advise the Assembly whether that was the basis of the accord which resulted in the agreement of 1981, and that that particular understanding, distinguishing between rare and unique circumstances and public policy, is in fact the understanding of all the authors of that accord?

MR. LOUGHEED: Mr. Speaker, it's definitely my view that that was fully understood. The record of the constitutional discussions, including the public portions of those discussions, would underline that. I refer the hon. Leader of the Opposition to statements on the subject made at the time by other premiers as well as by myself.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of Federal and Intergovernmental Affairs. Given the passage of Bill 62 in that province, which brings in the notwithstanding section to apply in the province of Quebec, has there been any discussion with the separatist government of Quebec, concerning their use of the notwithstanding clause, which appears to be the only use so far by a provincial government?

MR. HORSMAN: Mr. Speaker, the government of Alberta has analysed the decision of the province of Quebec to invoke the notwithstanding clause relative to all legislation which that government has in force, but that is really a matter that relates to the fact that Quebec did not become a signatory to the constitutional accord. While we have analysed the situation — and I think it is clear to say that the government of Alberta understands the position that has been taken by the province of Quebec — no extensive discussions on that subject have taken place with that government.

MR. NOTLEY: A supplementary question to the hon. Attorney General. Has any consideration been given by the government to referring the perhaps contentious legislation, but legislation where the option of the notwithstanding clause is being considered at this time, to the Supreme Court of Canada for interpretation? In other words, the government would take the

initiative, rather than waiting for a private organization to do so.

MR. CRAWFORD: Mr. Speaker, I'm not entirely clear on the hon. leader's question. I perceived it to be: would there be a reference, in advance of the event, of the notwithstanding legislation itself, as distinct from the legislation from which the exception was to be taken?

MR. NOTLEY: Mr. Speaker, my question related to the government taking the initiative with respect to the legislation itself, not the notwithstanding provision; we're clear what the powers are there. It's a question of whether or not the government would find out by asking. By way of information to the House, it's my understanding that the government can request the Supreme Court to pass judgment on the constitutionality of legislation vis-a-vis the Charter of Rights. My question is whether or not any reference of the possibly contentious provisions would be considered by the government.

MR. CRAWFORD: Mr. Speaker, I think not. The matter would progress in the normal way through the courts, which achieves the same result in the sense of a judicial interpretation. I don't think the government would ever rule out the possibility of a reference, but that's not the intention with respect to matters about which the hon. leader has recently been asking.

MR. NOTLEY: A supplementary question to either the Premier or the Attorney General. Has the government given any consideration to the establishment of a new all-party standing committee of the Assembly, to review the options whenever the notwithstanding clause is considered to be an option by the government of Alberta?

MR. LOUGHEED: No, Mr. Speaker, we haven't.

#### Dairy Quota System

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Minister of Agriculture, and ask whether he is able to confirm that the Alberta Dairy Control Board has returned the overshipment levy to farmers who shipped over the market-share quota, and thus has rendered the quota system non-functional this year?

MR. FJORDBOTTEN: Mr. Speaker, to the first part of the question, the Dairy Control Board has returned to the producers the overquota levies that were collected. But to the second part of the question, that the quota system isn't functioning properly, that just is not true.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Minister of Agriculture. Given that some farmers had to dispose of cattle and give away milk in order to live within the quota regulations set by the Dairy Control Board, what consideration is now being given by the government to assist those farmers — I'm given to understand some 25 per cent of the producers — who played by the rules but, by doing so, lost money?

MR. FJORDBOTTEN: Mr. Speaker, the levy that is charged producers is in fact a levy and not a penalty. The amount that was collected on the overquota levy was somewhere in the neighborhood of \$4 million, of which \$414,000 was needed to pay the overquota levies. There certainly were producers who had cut back on production, and the actual number of producers

who were over quota to any significant degree by the end of the quota year was very, very small.

MR. NOTLEY: Mr. Speaker, a supplementary question. Has the minister given any consideration, however, to the financial difficulties now suffered by those producers who played by the rules and in fact culled part of their operation — their cattle herd — or gave away milk in order to stay within the rules set by the dairy commission?

MR. FJORDBOTTEN: Mr. Speaker, all dairy producers know that when they go into a totally supply-controlled industry like the dairy industry, there are rules, and they abide by those rules. They know what their quota is and that if they are over quota, they either have to pay overquota levies or cut back on their herd or both. Very serious consideration has been given by the Dairy Control Board as to how it would help those producers through that time by arranging the quotas and trying to do what they could to arrange additional quota for producers who were over quota, and it made a number of other moves to assist them. So all possible actions that could be taken to assist those producers were taken.

MR. NOTLEY: Mr. Speaker, a supplementary question. Has the minister held any discussions with the Dairy Control Board to analyse the precedent set on the operation of the dairy industry, and in particular the farmers who played by the rules, by returning the overshipment levy to those people who did produce beyond their quota levels?

MR. FJORDBOTTEN: Yes, Mr. Speaker, I had discussions at length with the chairman of the Dairy Control Board on how to handle the overquota levies. I also asked the Attorney General to look at what the legal position might be with respect to levies. The decision came back that the levy was indeed a levy and not a penalty and that I had no choice legally, basically, but to return that overquota levy to the producers who had in fact paid it. That was done and is done in most provinces in Canada.

The discussions I am now having with the Dairy Control Board are to make sure that in future years, that policy is known beforehand, not coming to the minister after the fact, so indeed the producers know ahead of time what in fact will happen with any surplus of overquota levies.

MR. NOTLEY: Mr. Speaker, a supplementary question to the minister. As a result of refunding these overquota levies, what mechanism is the government considering to maintain the quota system? If there is no penalty for staying within the quota, then why would people do so, and how can the quota system be maintained?

MR. SPEAKER: We're certainly getting into the realm — in fact, we've been in it for a long time — of argument.

MR. FJORDBOTTEN: Mr. Speaker, as far as I know, there will be no changes made in the quota system *per se*. The producers all agreed to join that type of system. It is a totally supply-managed industry, the quotas are there, and they will have to live within those quotas. The market-share quota that's available to them and the fluid milk quota are something they are very much aware of when they go into the business. The overquota levies that were collected and which created the questions that the Leader of the Opposition is asking, are in fact really due to — there is a cost to dispose of milk, and that's what the levies are collected for.

MR. NOTLEY: Mr. Speaker, a supplementary question. During the course of the minister's discussions with the Dairy Control Board and the chairman of that board, will there be any move by the government to deal with some of the obvious short-term problems of those producers who had to dispose of some of their cattle or give away milk in order to stay within the rules set by the Dairy Control Board?

MR. FJORDBOTTEN: Mr. Speaker, with the quotas that the producers live under, they have to purchase quota if they're short of quota and, in many cases, they have done that. The individual dairy producer's independent decision on what he does and how many cows he milks, is up to him. But he has the quota limit, which he can't go beyond, and he knows that at the beginning of each dairy year.

MR. NOTLEY: Mr. Speaker, I don't put this question in an argumentative way but to ask whether or not, because of the problems the minister identified three or four questions ago, which were not the fault of the producers, the government assumes any liability to those producers who played by the rules and have lost as a result?

MR. FJORDBOTTEN: Mr. Speaker, the majority of producers did play by the rules and, in fact, did not lose in the process. There are a number, and it's quite a small number, that were significantly over quota — I'm talking about over 110 per cent over quota — that of course would be affected. Modifications were made to the dairy policy by the Dairy Control Board, to allow no loss of quota if they didn't produce up to their full market share for the year, and that meant that those producers did not have to buy additional cows to keep their quota. That quota was then shared with those who were over quota. So modifications were made to the policy, Mr. Speaker, and I feel it was done very fairly.

MR. SPEAKER: The hon. acting leader of the Independents, followed by the hon. Member for Edmonton Norwood.

DR. BUCK: Mr. Speaker, a point of order before I ask my question. I'm a little disturbed by the ruling you made about the question period as it relates to urgency. I've always had the understanding in this Assembly that the question period is to seek information, number one, and that information should be of a fair amount of immediacy. But sir, when you tell us that we cannot ask a question which may have occurred many months or many years ago, and something has come out of that act that took place many months or years ago and now is of sufficient urgency, I have great distress with that interpretation. I would certainly like you to bring to the attention of the Assembly — not at this time but at some time — exactly what your intent is and how you interpret that rule.

MR. PURDY: Read the May 30 statement.

DR. BUCK: Your deputy or whatever you call him, sir, is mumbling something. Maybe he can help you in making a decision.

I feel very sincerely, Mr. Speaker, that the question period is being limited because you are interpreting something other than how I interpret the question of immediacy.

MR. SPEAKER: I think there's an overall principle that applies to the question period; that is, we've got 79 members sitting here, and they're all sitting here while one member is asking for information. There has to be some regard for the time of

those members. Consequently, over the years, rules have developed in order to make sure that that time isn't misused by seeking information that can be sought in a different way. Now, there has to be some sensible limit. For example, suppose a member wanted to know something about western economic matters, and all of a sudden he started to ask ministers about what happened at the WEOC conference at the beginning of the '70s. Where do you draw the line?

The Constitution was discussed; the positions that were taken by all the participating parties were quite public. It's back in 1981. It would seem to me that that information could have been gotten by a letter to the Premier or a telephone call or some other way and that there wouldn't have to be 77 other members sitting here while that was being done.

MR. CRAWFORD: Mr. Speaker, I wonder if I might use the statement that you gave to the Assembly on May 30, 1983 and, along with that, the reference it makes to page 132 of *Beauchesne*, Citation 359. There are actually at least two items under Citation 359 which bear upon what the hon. Member for Clover Bar has raised, briefly referring to it in this way:

A brief question seeking information about an important matter of some urgency which falls within the administrative responsibility of the government or of the specific Minister to whom it is addressed, is in order.

The reference is to "some urgency". Subparagraph (5) of the same Citation repeats that.

The matter ought to be of some urgency. There must be some present value in seeking the information during the Question Period rather than through the *Order Paper* or through correspondence with the Minister or the department.

I think that is no doubt what Your Honour was referring to just now, without specific reference to the citation number, but I wanted to be sure the citation number was on the record.

MR. NOTLEY: I wonder if I could offer several comments on the point of order brought to your attention by the hon. Member for Clover Bar. No one is disputing Citation 359. Obviously there should be a matter of urgency. However, the question is, what is a matter of urgency? In a House of people who have strongly differing views, there are obviously going to be some differences as to what is urgent and what isn't. I would suggest that it is normally prudent for a Speaker to err, if one has to err, on the side of the member raising the question.

I think there is a larger issue; that is, if you have a matter of some immediacy, but there is an element of history that needs to be raised, then I do not think it inappropriate at all. I couldn't agree with you more about the general comment about rehashing the Constitution or rehashing an issue settled many, many years ago. But if a question of urgency is now coming forward — and certainly most Albertans, I would submit 100 per cent of them, would suggest that the option of using a notwithstanding clause in the Constitution is a vital matter of fundamental importance and, I think within any House, would be considered within the purview of Citation 359 — it is not out of order to relate what may have been a decision in the past that now relates to a decision by the government, and an effort to ascertain that information is clearly within the spirit of 359. I would say, Mr. Speaker, that both the questions and the answers today, where information was sought and information was provided, were within the best tradition of the question period.

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Federal and Intergovernmental Affairs.

MR. SPEAKER: Excuse me. I thought the hon. member was going to speak about the point of order, because I had intended to say something further about that.

I have real difficulty in understanding how something that was decided some years ago can suddenly become a matter of urgency. I think the hon. leader will be sufficiently candid to acknowledge that the usual purpose of those questions is to establish something that was done some years ago, and then to try to establish some inconsistency with regard to that matter, as to what is being done now. That's really hardly a matter of urgency; if anything, it's a matter of debate. When I originally intervened in the question period today, I thought the hon. leader was going to continue on a line of questioning that was going to show some urgency about what was discussed in 1981. But he didn't succeed in doing that.

There was absolutely no reason at all why those questions couldn't have been asked in the context of the present. There was no reason at all as to what was intended in regard to the notwithstanding clause. I concede very openly to the hon. Member for Clover Bar and also to hon. Leader of the Opposition that this is a matter of opinion. Of course, my duty is to follow the best opinion I'm able to form, and I think in this case it's quite a logical one.

DR. BUCK: Mr. Speaker, I'm sure this is still not clear in my mind, but we'll continue it at a later date.

#### Right to Privacy

DR. BUCK: Mr. Speaker, my question to the Minister of Federal and Intergovernmental Affairs has to do with the right to privacy. I'd like to know if the minister has had any discussion with his federal counterparts or anyone in the federal government as to the right of privacy that municipalities have. I'm sure the hon. minister is aware of the case where Kitchener city council refused to give information to the federal revenue people. I'd like to know what we have in Alberta to protect our municipalities from Revenue Canada seeking from our computer banks and computer data information which may be none of their business.

MR. HORSMAN: Mr. Speaker, hon. members will be aware that there has been correspondence from the government of Alberta, specifically from me to the [federal] government, with respect to the coming into force on July 1 this year of the freedom of information and the right to privacy legislation. That [correspondence] has been made public. In that, we have requested of the federal government that information which is supplied to the government of Canada by agencies of the government of Alberta not be made public unless it is so designated by the initiator of the information.

I'm not familiar with the case referred to by the hon. Member for Clover Bar, with respect to an Ontario municipal government. But I will take that matter under advisement and would suggest that the type of concern as outlined in the question would indeed be covered by the approach the government of Alberta has suggested is appropriate in order to ensure that information which should remain confidential — particularly with regard to individuals and perhaps with respect to municipal governments — remains confidential unless the initiator of the information otherwise designates it.

As well, I should take this opportunity to point out that in the correspondence with the government of Canada, the government of Alberta indicated that a review of this whole question is being undertaken with appropriate departments, and discussions will of course take place with such agencies as

municipal governments in the process of formulating an official policy relative to the federal legislation.

DR. BUCK: Mr. Speaker, I don't believe the hon. minister would be in a position to indicate — maybe he is; that's the wrong word. In a situation similar to the one in Kitchener, Ontario, where the municipality refused to give the information to Revenue Canada, has the minister had any discussion with our municipalities that this information can be withheld, and the provincial government would support that municipality?

MR. HORSMAN: Mr. Speaker, I cannot really answer that question definitively, because I am not familiar with the facts of the Ontario case mentioned. But in general, the correspondence between Alberta and the government of Canada — which, as I said, has been made public — attempts to deal with this issue. As I indicated, we will be discussing the formulation of an appropriate policy with appropriate agencies and emanations of the provincial government during the course of the preparation of our policy, which will be developed within the next few months. I would appreciate hearing from the hon. member more particulars of the case in question and would appreciate any views he may have on the subject.

DR. BUCK: Mr. Speaker, a further supplementary question. Does the minister or anyone in the government have available any information that can be supplied to the Assembly as to how the right to privacy of Alberta individuals is protected in government computer banks?

MR. HORSMAN: Mr. Speaker, there is the federal government legislation on that subject, and I believe that gives the right to privacy to individual Canadians. As far as how computerized information might be protected, it's a matter of some technical nature that I would have to review further and discuss with my colleague from Clover Bar.

MR. SPEAKER: The hon. Member for Edmonton Norwood; then the hon. Minister of Transportation wishes to deal with a previous question period topic.

#### **Kananaskis Park — Golf Course**

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Recreation and Parks, and it has to do with the contract to operate the golf course at Kananaskis park. Would the minister indicate why the government established the rate of return to the province of between 0 and 5 per cent of the gross revenues accruing to the operations?

MR. TRYNCHY: Mr. Speaker, in working out the contract, many hours were spent trying to arrive at the price it would take to keep the facilities as a world-class project within Kananaskis Country. Some \$2 million was the price arrived at to do that job right. After the \$2 million, we arrived at a figure whereby the government would get a certain percentage in return, working upward from 0 to 5 per cent over the surplus over \$2 million.

MR. MARTIN: A supplementary question. Will the minister advise how it was established that the contract operators will not be picking up the tab for either the labor or the equipment for maintaining the golf course, fairways, or putting greens at Kananaskis? I guess my specific question is, why is the government paying for this labor and equipment?

MR. TRYNCHY: Mr. Speaker, that's not correct. The management of the golf course will take over all responsibility effective November 1, 1983.

MR. MARTIN: I have the contract here, and the minister had better reread it.

I'll go into the next part of it, though. With respect to the purchase agreement for other equipment the operators will need, will the minister clarify if any interest charges will apply to the instalment payments the operators will make over the next 10-year period to the government, which is supplying the equipment?

MR. TRYNCHY: Mr. Speaker, I don't believe there's an interest within that program. The price was calculated over a number of years on a certain percentage being paid on a yearly basis.

MR. MARTIN: A supplementary question, Mr. Speaker. When the minister made that decision, did he take into consideration the government's restraint policy and the amount of interest which will be foregone for this arrangement, particularly given the government's guaranteed buy-back policy in the agreement?

MR. TRYNCHY: Mr. Speaker, we did in fact take the interest portion into consideration. That's why we made an agreement for them to purchase that over a five-year period, interest included. So it was an agreement that we made at that time.

MR. MARTIN: A supplementary question, Mr. Speaker. When will the minister table appendices A, C, and G in the House, so the public will have an opportunity to examine the full details of the contract? Although they form part of the contract, they were not tabled with the contract.

MR. TRYNCHY: Mr. Speaker, it's my understanding that I tabled all those things.

MR. MARTIN: A supplementary question. If he did not table appendices A, C, and G in this House, would he do so?

MR. TRYNCHY: Mr. Speaker, before I commit myself to that, I'll have to have a look at it.

MR. MARTIN: A supplementary question, Mr. Speaker. What consideration did the minister give to placing a regulated profit margin clause in the Kananaskis contract, so the objective of affordable leisure facilities, as I believe he put it, would be enforceable by the government on behalf of all Albertans who have paid for these facilities?

MR. JOHNSTON: What is that, Ray? I'd need an appendix to define that.

MR. TRYNCHY: Well, Mr. Speaker, the fees charged at Kananaskis are well below other golf courses in this country. I think they're affordable to Albertans, and the contract so shows.

MR. MARTIN: For the time being, maybe. My final question, Mr. Speaker, is a simple one: why, in today's economic climate, is the government offering this insulated gilt-edged contract ...

SOME HON. MEMBERS: Order.

MR. MARTIN: ... to a few, especially when small businesses all over this province are going broke?

MR. SPEAKER: That's definitely a representation and debate, and anything else that you want to call it, that isn't qualified for the question period. But under the circumstances, since the question has been asked, it would be less than fair if the minister weren't allowed to answer.

MR. TRYNCHY: Mr. Speaker, we have one contract to run the golf course. I guess the hon. member is asking that we have 10 or 20 contracts, and I don't think that's feasible.

#### Highway Overpass Project

MR. M. MOORE: Mr. Speaker, last Thursday the hon. Member for Edmonton Norwood asked me certain questions with regard to an interchange on highways 22X and 2, just south of Calgary. As I indicated on Thursday, these interchanges are often constructed in several phases, with each phase being designed and scheduled to coincide with the traffic demands. In order to minimize the overall expenditure, each phase is designed to be compatible with later phases, even though they're built independently.

In this particular interchange, a two-phase project is planned. Phase one, which is currently under construction, is a full interchange which allows for all necessary traffic movements between the two highways and associated roadways and provides access connections to all nearby roadways and developments. Phase two, which is planned for construction at some future date when required by increased traffic volumes, will simply streamline some of the traffic movements.

Like most other interchange projects, as I indicated again on Thursday, phase one of this interchange project involves several components and involves more than one construction season. Approach fills, which are essential in order to construct the overpass structure itself, were constructed in the fall of 1982. The overpass structure itself was begun in the winter of '83 and was essentially completed by September 1983. Due to problems with acquiring borrow or fill dirt sources, necessitating expropriation, the main interchange roadway construction project was not started until August of 1983.

This project, although not expected to be fully completed until July '84, is expected to be sufficiently complete to enable the interchange, including the structure, to be open to traffic by the end of November 1983; in other words, in another two weeks, Mr. Speaker. The construction process itself requires that some minor temporary connections be built to accommodate traffic during the construction period. Again, this is not unusual for this type of work.

Since different parts of the industry are involved in both the structure and the roadway construction, separate contracts are tendered for each. It is therefore not unusual that the structure and the roadways be completed at somewhat different times, and the two months' difference in completion of the two is something that is not considered in any way unusual. There is one more right-of-way problem in the southwest corner of the interchange, which has necessitated a temporary re-alignment until the right of way issue is resolved.

In summary, Mr. Speaker, all necessary access to nearby roadways and developments is being provided as part of the current contract. Where seasonal factors have prevented the final access from being completed, temporary access is being provided. Finally, no identifiable extra costs have incurred or are expected by completing the overpass structure prior to completing the remainder of the interchange.

MR. SPEAKER: The hon. Minister of Federal and Intergovernmental Affairs has some further information on a recent

question period topic, followed by the hon. Member for Clover Bar.

#### Right to Privacy (continued)

MR. HORSMAN: Mr. Speaker, further to the answers I have just given to the hon. Member for Clover Bar, I wish to thank him for providing me with the information on which his questions were based.

I wish to supplement my answer by saying that in the correspondence on this subject which went forward from my office, dated June 30, 1983, to the Hon. Mark MacGuigan, Minister of Justice and Attorney General of Canada, the nature of information supplied by municipal or regional governments in Alberta was specifically mentioned as being part of the concern of the government of the province of Alberta. Without reading into the record the contents of the Access to Information Act and the Privacy Act, it is quite clear that there are specific items in those pieces of legislation to cover municipal or regional government information.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. I still have some concern as to what protection Albertans have, specifically as to the material that's in our computer banks. I would just like to indicate to the minister that I got a Dear John letter from some federal agency saying: how many miles do you get on your Omega? How they found out I had an Omega, which is none of their bloody business, is what concerns me. I just want to know what protection Albertans have to make sure that information that's in our computer banks is not made public or is not made available to people who want to put you on a list to sell you something.

MR. HORSMAN: Mr. Speaker, this is a matter of very real concern and, as I indicated, has been expressed by myself to the federal Minister of Justice. That is why we have taken the position we have, relative to the information which is requested. It's a two-edged sword: the right to information and the right to privacy. That is why we've taken a cautious approach with respect to this.

I will indeed review the question of computerized information relative to a technical nature that has been raised by the hon. Member for Clover Bar, and get back to him and to the Assembly on that subject. We share his concern.

MR. PAPROSKI: Mr. Speaker, a supplementary to the Minister of Federal and Intergovernmental Affairs. Due to the proliferation of computers in our society today, would the minister consider establishing either a task force or a committee to review this entire area?

MR. HORSMAN: I'll take the hon. member's representation under consideration, Mr. Speaker.

### ORDERS OF THE DAY

#### head: GOVERNMENT BILLS AND ORDERS (Second Reading)

#### Bill 100 Alberta Income Tax Amendment Act, 1983 (No. 2)

[Debate adjourned November 18: Mr. Martin speaking]

MR. MARTIN: Mr. Speaker, I'd like to continue my scintillating speech from the last day. We were talking about the six-month hoist. One of the things the Treasurer said very clearly

at the time is that because we've had the lowest income tax, we'd still be the lowest, although only about half a per cent behind British Columbia. In his introduction, he gave this as some justification for the fact that it would be okay, if I can put it that way, to increase income tax at this point.

Besides the other arguments that we have made, Mr. Speaker — and I was coming to that at the end of my speech on Friday — there is some debate over income tax as being just part of an overall tax. I was pointing out that there are many different types of tax, if you like — not income tax. We pointed out medicare premiums and the possibility that user fees could be taking money out of the pockets of Albertans on January 1.

I think one of the things we have to talk about is the recent third edition of the Canadian consumer tax index. It's from the Fraser Institute — hardly a socialist outfit, if we know the particular bent of this organization from Vancouver. What the Fraser Institute says is fairly clear. They say that you have to take all the taxes into consideration. The Treasurer has said that we're the lowest taxed. If we're going to look into it at this time, and we're basically getting a right-wing organization saying Alberta is the highest taxed — and I'll explain why — then maybe we need the six months to think this over. I don't know whether or not the hon. Treasurer has had a chance to look at this report — hopefully he has — but according to the Fraser Institute, the consumer tax index, the average Alberta family paid \$16,024 in taxes in 1980, which amounted to 39.5 per cent of the total income of \$40,000. They say we are the highest in terms of taxation. They compare that to Ontario, where the average family paid \$10,214 on a total income of \$35,140, which translates into a tax rate of some 29.1 per cent.

What they are suggesting is that basically we have to take in the whole realm of things people have to pay in terms of taxes; for example, as I mentioned, medical deductions. They talk about pension taxes, import duties, excise taxes on liquor and tobacco, property taxes, and so on. They point out that our property taxes in Alberta are the fourth highest. They also take in corporate taxes. Admittedly we have the second lowest in that regard, which I suppose would represent the bent of the hon. member: we'll nail the little people, and give breaks there. But as they correctly point out, corporate income taxes are of course offset by corporations by passing on higher prices to us so that they can maintain profit margins.

With the very limited time I have, Mr. Speaker — and I'm well aware of that — my point is that the Provincial Treasurer has given as justification that we have the lowest income taxes. But even with the lowest income taxes before — and a 13 per cent increase is certainly significant — the point that they are making and that we are making here, is that you have to take in the whole realm of taxation. An organization like the Fraser Institute — which, as I have pointed out, is clearly of the bent the hon. members in the government are — after researching it and looking into all aspects of taxation, is saying we're not the lowest overall, even though we have the lowest income tax. But if you take in the whole, overall picture of taxation, we are the highest in the country.

Mr. Speaker, if that is in fact the case, then surely for that reason we're going to need six months for the Provincial Treasurer to find out. If, after looking into it, he would accept the argument — perhaps they're wrong; they've been wrong before. They are a well-known economic group, and if they're saying we are the highest, I think we should backtrack and take a look at this Bill. The point we're making is that it's the wrong time to be bringing in this Act. This is just further information that adds to the things we previously said, that would indicate to us that we have to take a serious look at this.

So if in fact we have the highest taxation in the country, Mr. Speaker, this 13 per cent increase in income tax at this time is

going to seriously jeopardize the economy. As I said before: in a time of recession we think it's wrong. I'm sure that if most of the other groups are saying it's wrong, even the ones that hon. members opposite [purport] to represent, then surely the Treasurer should stop and take a look at it. The only ones saying it's right at this specific time seem to be the Treasurer and the government. Almost all the business groups, all the labor groups, the opposition — both the Independents and us — and certainly almost every other person you talk to in the province, say it's wrong to do this at this time.

So I think it makes eminent good sense to take a look at this for six months. With the money we have in the heritage trust fund, surely six months shouldn't break us, even with this government spending the way it does. But if the economy goes down, if we have higher unemployment and have to waste money paying more for unemployment insurance, if we have more people on welfare, more small businesses going broke, this certainly will take much more out of the Treasury than the \$220 million we would be putting back into it. If more businesses go under, then it's really pointless, Mr. Speaker.

So recognizing that I do not have much more time — I'm not sure how much; maybe a half-hour or so — I would leave that thought with the Provincial Treasurer, Mr. Speaker. I know the Provincial Treasurer is an honorable gentleman and that, with these startling new facts I have brought to him, he will consider. As soon as I've finished here, he's going to stand up and say that I've made such eminent good sense that he is prepared to withdraw his Bill on second reading.

Thank you, Mr. Speaker.

MR. ALEXANDER: Mr. Speaker, I too would like to try to add a couple of minutes of eminent good sense, if I could. Having listened, as I have, for several hours to this *tour de force* of economic and financial criticism, I guess it would be amusing — if it didn't take so much time — particularly when the hon. Leader of the Opposition puts on his economic guru hat and speaks to us about taking purchasing power out of the hands of individuals. That of course will impact seriously on the economy, reducing spending by consumers, leaving Main Street, Alberta, vacant by year end, and other such dire predictions. On other days, he has donned his more socialist hat, which seems to fit better at times, passionately advocating that we must maintain the integrity of medicare by taxing people according to their ability to pay. Presumably taxing people according to their ability to pay doesn't reduce their purchasing power. I'm not quite sure how that works, but if I stay here long enough I may learn.

He did correctly identify at one point, perhaps unwittingly so, the progressive/regressive tax system as being a Marxist plot. The even more Marxist plot, I guess, consists in the comment that somehow or other an income tax surtax is equitable. Mr. Speaker, the English language is brutalized these days, but this is a serious case. I think what he means, of course, is not "equitable"; it's "egalitarian". There is a difference. I suspect that there is nothing equitable. It's [not] my view, nor would it be the view of the Fraser Institute, in fact, that there's anything equitable about an income tax surtax. Perhaps the greatest tax of all may be on the patience of members who have to listen to these contradictions and try to sort them out for themselves, while sitting here patiently.

While the member projects an empty main street, he seems to indicate that the hon. Grinch from Glenora has stolen Christmas. Let me reassure members, particularly the Member for Spirit River-Fairview, that despite his fears, I predict that Santa Claus will visit after all.

Mr. Speaker, tax increases are undesirable. I don't think there's any question about that. In fact it is a commonly held opinion, and it seems to me to be an exercise in futility to try to jump in front of a parade which purports to be against tax increases; that's as old as tax increases. There is no parade. We all recognize that it's a difficult problem. But I suspect that the citizens of Alberta are not quite so naive as they're being represented here. They know that deficits are even more serious. They know that at the moment the world is awash in red ink. They know that that can't go on. They know that the world financial system, as a matter of fact, is on the verge of cracking under the strains of deficits accumulated by governments around the world. And they know that that problem has to be attacked on two fronts, on both the income side and the expense side.

We must realistically assess our income. Our income comes from three sources: personal and corporate taxes, energy revenues, and federal transfers. Incidentally, those are transfers of our own money back to us. We know now that two of those sources are at some risk. Energy revenues have fluctuated and may fluctuate more. Federal transfers, if we can take the federal minister of health seriously, may also fluctuate. That forces us to take a sharper look at the expense side.

Mr. Speaker, when we say we must take a look at the expense side, I think we should say that seriously and not allow ourselves to indulge in the game of trivial pursuit that has been played so far by hon. members of the opposition. In a \$9 billion budget, I have been astounded at the preoccupation with expense items like sand at Kananaskis, conventions, airline tickets, members' offices, or advertising. If all of these were added together and eliminated, how much of a dent would they make in the expense side — a couple of million, 3 million, 5 million out of a \$10 billion budget? I think we are forced into a position where we have to overlook this kind of triviality and get serious. We have matters of substance to address.

I think the hon. Treasurer addressed those matters when he said that the size of the public service is being reduced, starting with a relatively modest figure this year and continuing next year and into succeeding years. As has been pointed out by hon. members, he's an honorable man; I believe him. I think that has to be done and will be. I think we also have to remember that the only serious suggestions are with regard to major expenditure cuts. As he has pointed out, to offset this tax increase, if that's what we're talking about, we have to talk about recurring expenditures in the operating area of close to a quarter of a billion dollars. Unless we can make suggestions on that scale, then we should stay out of the debate.

It has been pointed out that we should use the heritage fund. The minister has pointed out that Albertans support the use of the heritage fund for the projects it's being used to pay for: loans for farmers and small business men through AOC and ADC, to complete the Prince Rupert terminal, to complete the major hospital projects that are now under way, for irrigation projects, oil sands research, and others that are matters of record and are ongoing. Expenditures have been allocated to those projects, and they must continue.

But expenditures do have to be addressed. I expect to participate; I'm sure other members do too. Much has been said. I guess these trivialities that I've spoken of were intended to raise the consciousness of the general public. Perceptions are important; there's no question about that. In my view, that's one of the few benefits of the current tax increase. In my view it will heighten the perception of Albertans to the scope of the problem. It will underscore and outline the difficult choices we have to make.

Mr. Speaker, one doesn't have to look much farther than the balance sheet of the province. In the budget highlights, it is

quite clear, and it seems to me important to perceive, that personal income tax and corporate income tax amount to about \$1.7 billion. They do not quite cover hospital and medical care costs. I re-emphasize that all the tax sources collected by the province of Alberta do not quite cover one item on the budget expenditure side — \$2.2 billion for hospitals and medical care. That leaves every other item, every other program, every other service needed by the province of Alberta dependent upon either energy revenues or federal transfers. I think Albertans understand that. When they get a sharper perception of it, they will understand it better and, as matter of fact, will enter into the debate more actively in terms of reducing the expenditure side. Interestingly enough, if they follow the example of some states in the U.S., they may decide in referenda that they prefer, for example, to increase their own taxation as opposed to reducing some services, which was recently done in the state of Ohio. Albertans are not that naive. They know the risk in the position that we have. They are accustomed to looking at their own budgets in terms of expenditures as a percentage of income.

I'd like to point out further, Mr. Speaker, that last year when the Minister of Hospitals and Medical Care spoke on his budget, he said that it comprised about 22 or 23 per cent of the provincial budget. He was speaking about budgetary expenditures. But when you and I run our households, we have to think of the amount of money we're going to spend in terms of the amount of money we're going to make, not the amount of money we're going to make plus borrowings. If our revenue is \$6.6 billion and our expenditure on one item is \$2.2 billion, that's 33 per cent, not 23. So if we subtract borrowings, we're spending a third of our income on one item on the expenditure side, hospitals and medical care. Albertans know that's a serious position, and I'm sure they endorse the position taken by the Provincial Treasurer in his attempt to redress that imbalance. That can't go on — not to pick on hospitals or other major items which take up large percentages of a vulnerable income pie, for example education.

These items were in fact not made in isolation. This House does not sit in a vacuum. It listens to the sounds made by people who are on hospital boards, university boards, other kinds of independent boards, and the population in general. They send messages about how they want their money spent. Those messages have been heard. I have had a number of businessmen — I notice that lately some of the members opposite have talked to small businesses objecting to the tax increase. I had some say on Friday night: I guess you guys are in the same position that we were all in, in the '70s: we made too much money, we spent too much money, we made too many commitments; we got overleveraged, and now we have to build it back down. Yes, that's where we are. As this gentleman said to me, they expect us to take strong action on the expense side. And they realize the present expense level is unsustainable, just as their own levels were.

They also realize that it takes time to pay down debt. Mr. Speaker, consumer spending isn't an item in isolation. There have been some doubts voiced by many economists and analysts recently that the free-spending attitudes which persisted in the decade of the '70s and even to some extent earlier this year, will continue. In recent weeks and months, Canadians appear to have been buying Canada Savings Bonds, paying down their mortgages and credit card debts, and replenishing family savings. That tells me that they're good financial managers and that they understand what good financial management is all about.

Forecasts are never precise; they're not scientific. They're done by necessity; they're imperfect. They have been in the past, and they will be in the future. But by all the forecasts I



have read, it appears to me that our economy will survive and continue to recover. Just in the last week, two major investment analysts have noted that in 1984 Canada could record the best overall economic performance in seven years. Similarly, a widening consumer demand into non-durable goods and services from the durable goods and services, with which the upturn began, has already started and could strengthen the recovery. On Friday one investment house contended that the backlog of market demand, stimulative economic policies, and lower rates of inflation will combine to produce an economic expansion in both Canada and the U.S. which will last for 10 quarters. This will hopefully give Albertans an opportunity to maintain their incomes at high levels relative to the rest of the country as a whole.

Mr. Speaker, the tax increase will have the effect of emphasizing to Albertans the serious possibilities that we face in the forthcoming budget process. I think they will participate, and I think they will agree. It also serves to signal that we have all become far too dependent on government services, and we simply have to cut back that dependency. The tax increase, along with a reduction in expenditures over the next couple of years, could work together to bring Alberta's economy to a soft landing, rather than setting up a serious and damaging deficit which could unsettle the economy for some years to come. I don't think anyone wants that.

MRS. CRIPPS: Mr. Speaker, on page 1674 of *Hansard* I was invited to enter the debate by the Member for Little Bow, who even offered to write my speech for me if I would give it. I don't think I want to give his speech. The member also claims to be the Independent Member for Little Bow, but I notice by the telltale fingerprints on amendments and subamendments that they have all been run off on the same machine. I guess independence is only as deep as the duplicator. It kind of reminds me of the Canadian finals I was at last week. Wayne Vold had one of the brahma bulls on the end of a lariat, and he was hazing him out of the corral. The announcer said: push, Wayne, push. I think this is what has been happening.

The suggestion has been made that if we stick our heads in the sand, the problem will go away. My mother always said, don't put off today what you can do tomorrow. The problem is not going to go away. If we leave it six months or two years, the problem isn't going to go away.

Regarding Bill 100, the question that begs an answer is whether or not the government was justified in reducing personal income tax by 28 per cent in 1975. If we are to follow the line espoused by the opposition, clearly the individual is much more qualified than the government to make the decision on how to spend his money. I remember the Member for Clover Bar making that assertion directly. Therefore the government should not be collecting funds it does not require. The decision to lower taxes in 1975 was a responsible one. In retrospect, it is causing problems today because the Provincial Treasurer is reintroducing this tax. Surely it is responsible to collect personal income tax only — I want to emphasize "only" — when necessary. It must be remembered that it has been 11 years since the last tax increase.

The Leader of the Opposition challenged me to say that my constituents support an income tax increase. Mr. Speaker, I have had exactly one phone call in opposition and one letter very concerned with the imposition of sales tax. I answered that the Provincial Treasurer had assured me that the government wasn't looking at a sales tax at this time; however, it was committed to reassessing all government programs to increase efficiency and service to Albertans while at the same time assessing all available sources of revenue.

When discussing the tax increase with my constituents, they recognize that resource revenue has been reduced. When a province is collecting 70 per cent of its budget from resource revenue — from the 1980-81 Heritage Savings Trust Fund annual report — and that revenue suddenly decreases, it is logical that you have to turn to other sources of revenue. My constituents recognize that fact. They expected it in the 1982 budget. No one can honestly be enthusiastic about an increase in income tax. I agree with the Member for Edmonton Whitemud there; it is not desirable, but it is necessary.

In 1983, resource revenue paid 85 per cent of the general revenue expenditures supplying services for Alberta. This reliance on resource revenue cannot possibly be continued indefinitely. If we don't address the problem now, our children and our grandchildren are going to be — I guess an unpopular term — in dire straits in the future. All of us have had to reduce expectations. Maybe our pet project hasn't received approval; I am certainly one of those people.

I want to mention the importance of the Alberta personal income tax selective reduction program. Albertans who really need protection from increased income tax are the low earners. A gross income of \$13,850 for a family of four would result in a net income of \$3,940. Because of the selective tax reduction, no Alberta tax would be payable. On Friday the Leader of the Opposition said that we got that 13 per cent increase right across the board, regardless of one's ability to pay. Someone said, that's not true. He said, prove it. Well, it's not true. Because of the selective tax reduction, the low-income earner is protected to a degree. The actual Alberta tax payable on any taxable income under \$4,700 would not increase. It is extremely important to preserve the spending power of the low-income earner. Five hundred thousand Albertans with less than \$9,639 taxable income benefit from this program.

The Member for Little Bow and the Official Opposition have been arguing that the government should restrict its own expenditures. If I remember rightly, the Leader of the Opposition talked of parallel agencies, duplicating services, and re-designing programs. Yet you should have heard the righteous indignation when he read the memo from the Provincial Treasurer asking ministers to improve the efficiencies of their departments and cut out unnecessary positions. Last spring they were saying: instead of introducing user fees, increase income taxes. Mr. Speaker, methinks they talk out of both sides of their faces.

The other area where low-income earners are protected is the renter assistance program. That hasn't been mentioned at all in this debate. Last year, \$46 million was foregone in sections 10 and 12 of the renter assistance program. That includes the royalty tax rebate. Mr. Speaker, I think that's probably one of the most important areas for the low-income earner — up to \$250 tax credit, whether or not they've paid the tax. Some people actually get a credit if they do not have a taxable income. I hope that I'm right. I read this little book, and that's the way I read it. I know of a number of people who are at the low-income level who felt that the renter assistance was a distinct benefit. If you add the renter assistance, which is \$46 million, and the \$70 million foregone by the selective tax rebate, that adds up to about [\$116] million. The tax increase in this Bill is \$200 million. The [\$116] million of foregone revenue is from the low-income earner; make no mistake about it.

I want to mention one other area, Mr. Speaker. The Leader of the Opposition has said a number of times that we as a caucus aren't asked to approve fiscal responsibility and reassessment of employment needs in the government. I want to assure all hon. members that my constituents are telling me, and I am telling the cabinet and the caucus, that this government must practise fiscal restraint and fiscal responsibility. I hope and expect that the Provincial Treasurer will take that to heart.

Thank you.

DR. BUCK: Mr. Speaker, I would like to take a few moments this afternoon to debate the amendment we have before us. I always quite enjoy the hon. Member for Edmonton Whitemud. I remember so well the first time he was seeking a Tory nomination. He was seeking the nomination because he felt this government had gone too far to the left. He said that the only way he could maybe get this government to shape up was to join it, so he could infuse them with some of this right-wing philosophy that was supposedly a trademark of what Toryism seemed to stand for. I am glad to see that the member is trying to do his bit. I can visualize how the gathered masses will cheer and applaud when the hon. Member for Edmonton Whitemud stands at a Tory rally or convention — we have to stop people who are stealing from welfare; we have to get rid of these welfare bums; we have to do all these great right-wing things.

But I would like to say that either the hon. Member for Edmonton Whitemud has never been poor, or it's been so long since he was poor that he doesn't really know what goes on in the minds and shoes and budgets of the ordinary Albertan. I didn't have the pleasure of attending the town hall the hon. member advertised, but I can see the members coming to that august gathering with their gold-plated Cadillacs and Toronados and Cutlass Cieras. I can see them applauding each other and the member for saying that we have to cut back; we have to cut down.

That's true. All Albertans are asking for that, and they are ready for it. But at the same time they say that, they are saying to me — as I am sure they are saying to all the Tory backbenchers and front benchers — you people are wasting too much money. That's what they're saying. That's what Main Street, Alberta, is saying. This government has been a fat cat for too long. They've been wasting too much money. Now that the crunch comes, it's painful.

So what are they going to do? Are they able to cut back on some of these superfluous programs? I'm sure the hon. Member for Edmonton Whitemud will stand in his place or outside this House and tell us that this government came up with too many Mickey Mouse programs. We have to tell the whole story, hon. Member for Edmonton Whitemud. Certainly people are ready for restraint; certainly they are asking for the civil service to be shrunk, because it has been overinflated and overpadded. So people are ready.

MR. MARTIN: Too many Tory consultants.

DR. BUCK: We don't include those Tory consultants in the civil service, hon. Member for Edmonton Norwood. If you were realistic in looking at the people who work for this government, including the consultants, then the picture would be much more dismal than it is. I know we've gone through that exercise in this Assembly, trying to find out in the budgeting process how many of these people who are supposedly acting only as consultants are really working nearly full time but we've put them in that other category so the figures don't look too staggering. Is that not misleading the taxpayers of Alberta? Or is that Tory economics and Tory bookkeeping in effect again?

Mr. Speaker, we talked about the reductions in 1975. We reduced the tax in '75, but now we will put it back on. But the economic situation has changed very, very drastically. If we are going to look at a turnabout and get the economy going again, that's when I say to the hon. Member for Drayton Valley that I as a taxpayer know and get more bang for the buck than any government ever has. We're trying to say to this

government that the time is not right to bring in that 13 per cent. What we're saying is just basically that simple. That's what we're trying to say.

Since I tabled the petition in this Assembly several days ago, there are still people flooding into that little store just 10 miles from Sherwood Park. They say: where is the petition; we want to sign the petition. Now what is that saying? Is that saying everything is jolly and rosy, as the hon. Member for Drayton Valley is trying to tell us? Or does that tell this government and me as the MLA for that area that we've got some serious, genuine problems out there? That's what it tells me, but I don't wear those rose-tinted Tory glasses that tell me everything is fine in good old Alberta. Mr. Speaker, we look at one of the lowest corporate taxes in Canada, as the Provincial Treasurer says. But what is that 13 per cent doing to economic recovery? How many of those struggling small business men were out at that last Tory town-hall meeting? Were the ones who have gone bankrupt there? You can be sure not.

Mr. Speaker, I would like to say to members of this Assembly that I think we face in this upcoming winter one of the toughest winters that Alberta has faced in many, many years. [interjection] It's not a matter of looking at the muskrat houses, as the hon. Member for Vermilion says. Members of the Assembly treat this issue lightly. It is not an issue that should be treated so lightly. I would say that the crops the agricultural sector had this year are probably the worst we've had in the Edmonton area in almost 25 years. The prices of fertilizer, fuel, heating, and electricity have certainly not gone down. There are going to be many farmers in a very severe financial bind this winter, and if the weather is that much colder. These little things come out in our gas bill saying: you lucky Albertans, you're so lucky to be living here, because we have cut X number of dollars off your fuel bill. But are they going to put that same little note in when they send us our income tax forms in April, saying: you lucky Albertans, we are now asking for 13 per cent more. No, I don't think we'll put that same little clipping in there.

Sales tax. Of course this government would never have the nerve to implement a sales tax, because that is one of the legacies handed down to this government by the previous administration. Sales tax is a sacred cow. I don't think we should, or will, see a sales tax in this province. I don't know, but with the revenues we have in this province coming in from natural resources, I don't think this province should ever have a sales tax.

The hon. Member for Edmonton Whitemud talked about the triviality of only \$8 million or \$10 million. The hon. Member for Edmonton Whitemud has already been afflicted by the Tory sickness that \$8 million or \$10 million just doesn't matter. It's a symptom of the disease that this government has. They've been Cadillac Conservatives for so long, because the money has been pouring into the Heritage Savings Trust Fund; the money has been pouring into general revenue. From the day this government took power, I have said that they know how to spend — that's quite evident — but they do not know how to manage.

Mr. Speaker, when the hon. Member for Edmonton Whitemud talks about the triviality of \$8 million or \$10 million, when we look at one-third of the provincial budget being a deficit, it's quite obvious that this government does not know how to manage the fiscal affairs of this province. What are they doing? They're saying: give us another \$200 million. Alberta taxpayers; we've got this problem; we've overspent \$2.5 billion in the last fiscal year; you've got to come to our rescue, you lucky people, so we can keep spending in the style to which we've become accustomed. That's what they're saying. I would like to say to this large, callous government that the people out

there are starting to find out; they're getting a little twitchy. Maybe it's time for a reincarnation of the WCC, because at least the WCC made this government twitchy two years ago. It was nice to see them doing a little dancing; it was nice to see the Premier recess the House and send them back to mend some fences, get them out of here. Even though the separatists are about the furthest thing that I ever want to be associated with, they did make this government twitchy, so they accomplished something.

In the next two and a half years — if we have the Premier stepping down and one of the fair-haired boys from the front taking over, we will have a snap election, so I don't think the people of this province will have two and a half years. (interjections) As soon as the Tory backroom boys anoint the new leader, we will have a snap election, because this government would never, ever, take a chance to have that large majority threatened. I don't think the people of this province have until 1986 to indicate to this government some of the displeasures that are out there.

What we're talking about are priorities. We are talking about the fact that this legislation should justifiably be held for six months. Get us through the cold winter months when the farmer has very little revenue coming in but a lot of money going out. He's buying his fertilizer, his seed, and his fuel, and there's very little money coming in. I think this is a legitimate amendment, that the six-month hoist, or reconsideration, be given to this Bill, plus I think it would serve a very, very useful purpose, now that the Tory backbenchers have been let in on the secret that we're going to raise more money because we've done such a bad job of budgeting that we need an extra \$200 million. Of course, the fabulous five that run this government, their priorities committee or strategy committee, sat around their little table and decided: we've blown the dollars, gang; we need more money. The Tory government that prides itself on consulting caucus — they could not vote the other day on the Bill on Sunday closing, or Sunday opening, depending on which perspective you're looking at it from.

MR. SZWENDER: Did you have a good long weekend, Walt?

DR. BUCK: I'd like to say to the hon. member that steals nominations that I was looking after my constituents, and that's where a lot of these Tory backbenchers should be. But as long as you get on Peter Loughheed's coattails, it doesn't matter if you do anything or not; you just ride to power.

I would like to say that this government will have its day of reckoning and, when that day of reckoning comes, we will be comparing the reign of the Social Credit government with the reign of the Tory government. Mr. Speaker, the Tory government is not going to shape up too favorably, I'll tell you that. I well remember that when the government took power, they said ...

MR. COOK: Mr. Speaker, on a point of order. I wonder if the hon. Member for Clover Bar could come back to the point he's trying to discuss.

DR. BUCK: Mr. Speaker, in continuing my speech on why this government should go back for six ...

MR. SPEAKER: I must say that there has been a very considerable amount of repetition between the hon. member's speech today and his previous speech on this particular subject. There have been at least five or six points that he's repeated from the previous day, and I'm just trying to get to the point where I can predict what the next repetition will be.

MR. SZWENDER: On a point of order, Mr. Speaker. I've only been a member of this Assembly for approximately a year, and I've already heard this speech five times.

DR. BUCK: If you could comprehend, you might even learn something.

In continuing after that rude interruption, I would like to say that there are some economic factors on the horizon that are making Albertans very nervous. Some very, very nervous people out there wonder how they're going to get through the winter. They wonder how they're going to pay their fuel bill, how they're going to pay for their fertilizer. Mr. Speaker, when we look at some of the built-in production costs, especially in the farming community, this government hasn't really done very much for the farmers of this province. The government hasn't done too much ...

MR. NOTLEY: For anybody, actually.

DR. BUCK: ... for anybody except those high-income Tory people.

MR. COOK: Mr. Speaker, again on a point of order. I'm really having difficulty relating this part of his speech to the point he's discussing. It doesn't seem to mesh.

MR. NOTLEY: He's explaining why it should be delayed six months. It's rather clear, Rollie.

MR. SPEAKER: I have the optimistic expectation that in a sentence or two the hon. member will relate this to the topic under debate.

DR. BUCK: Mr. Speaker, just in explanation to the hon. Member for Edmonton Glengarry, what we're really talking about, hon. member ...

MR. MARTIN: Say it slowly.

DR. BUCK: ... very slowly, very carefully ...

MR. COOK: That's Ray's line.

DR. BUCK: ... is that we are trying to indicate to these well-informed, learned government backbenchers who have so much input into what goes on in caucus, so much input into the Provincial Treasurer levying a 13 per cent tax on the people of this province, is why this tax should not be implemented for six months. Before we implement a tax, we have to have all the relevant information as to what went on, what went wrong, why we need the \$200 million. Surely even a learned man like the hon. Member for Edmonton Glengarry should be able to understand that, without having to run down and ask you-all Jimmy Carter why they should bring in this tax.

MR. COOK: Why don't you ask Jim Keegstra? He's on the national Social Credit council.

DR. BUCK: Maybe the former president of the United States can help the hon. Member for Edmonton Glengarry. Mr. Speaker, I would really like to see some of these people get into a tough election campaign where they really had to stand on their own merit. That would really be quite interesting.

I would like to say this will be a tough winter, Mr. Speaker. It will be a tough winter for the farming community, the small business sector, and the unemployed. The Minister of Social

Services and Community Health is trying to do his bit to help Albertans; he slashed their budget. Maybe that \$200 million is going to go to them. But when you slash the budget of the department, quite obviously the \$200 million is not going to them. So it's going to be a tough winter for the young people of this province. When you talk to young people, they say: are we ever going to be able to get a job; if we go to NAIT, SAIT, Grant MacEwan, or to university, does that guarantee that we'll find employment? Is that what the \$200 million is going to do, hon. Member for Edmonton Glengarry? Is that going to provide employment for those young people? They can't all be as lucky as the hon. Member for Edmonton Glengarry and have a guaranteed income by being a Tory backbencher and riding in on the coattails of the Premier at the election every four years. It is going to be a tough winter.

In conclusion, Mr. Speaker, I'd like to say to my learned friend the hon. Member for Edmonton Belmont that the hon. member should go out and talk to the people in his constituency. I know the Member for Edmonton Belmont has people in his constituency who will tell him exactly what they're telling us on this side of the House. I am sure that if the members of the government benches are getting the same information that we are getting, and if they had the nerve to stand in their places and relay that information to this Assembly, they would certainly vote for the amendment.

Thank you, Mr. Speaker.

MRS. CRIPPS: On a point of privilege, Mr. Speaker. If I may, I'd like to correct a figure I used in my speech earlier. The renter assistance credit for 1981-82 was actually \$33,543,000.

MR. SPEAKER: On the motion for the six-month hoist, would the members in favor of the motion please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

[Mr. Speaker declared the amendment lost. Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Buck	Martin	Notley
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Against the motion:

Alexander	Horsman	Paproski
Alger	Hyndman	Payne
Anderson	Johnston	Planche
Appleby	Jonson	Purdy
Bogle	King	Reid
Bradley	Koper	Russell
Carter	Kowalski	Shaben
Chambers	Koziak	Shrake
Clark	Kroeger	Sparrow
Cook	LeMessurier	Stevens
Crawford	Lougheed	Stromberg
Cripps	Lysons	Szwender
Diachuk	McPherson	Thompson
Drobot	Miller	Trynchy
Elliott	Moore, M.	Webber
Embury	Moore, R.	Weiss
Fischer	Musgreave	Woo

Fjordbotten	Nelson	Young
Fyfe	Oman	Zaozirny
Gogo	Osterman	Zip
Hiebert	Pahl	

Totals:	Ayes - 3	Noes - 62
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MR. SPEAKER: Are you ready for the question on second reading of Bill 100?

[The question having been put, Mr. Speaker declared the motion carried. Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

DR. BUCK: Before you take the vote, sir, I'd like to say to you and to members of the Assembly that I think our system, where we now have a minute or whatever it is to get into our places, is certainly better than the system we had before.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: I think it would be only appropriate if the hon. Member for Clover Bar took out the patent on that, since he was the inventor.

For the motion:

Alexander	Hiebert	Paproski
Alger	Horsman	Payne
Anderson	Hyndman	Planche
Appleby	Johnston	Purdy
Bogle	Jonson	Reid
Bradley	King	Russell
Campbell	Koper	Shaben
Carter	Kowalski	Shrake
Chambers	Koziak	Sparrow
Clark	LeMessurier	Stevens
Cook	Lougheed	Stromberg
Crawford	Lysons	Szwender
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Elliott	Moore, R.	Weiss
Embury	Musgreave	Woo
Fischer	Nelson	Young
Fjordbotten	Oman	Zaozirny
Fyfe	Osterman	Zip
Gogo	Pahl	

Against the motion:

Buck	Martin	Notley
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Totals:	Ayes - 62	Noes - 3
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[Bill 100 read a second time]

**Bill 98**  
**Hospitals and Medical Care Statutes**  
**Amendment Act, 1983**

[Debate adjourned November 17]

MR. NOTLEY: Mr. Speaker, I rise to oppose second reading of Bill No. 98. There are many aspects contained in the legislation we have before the House this afternoon, but I want

to confine my remarks to the introduction, by way of legislation, of what I consider to be a completely odious principle; that is, the introduction of user fees in this province. Some members could argue that that right has existed before. In actual fact, what is now very clearly happening, Mr. Speaker, is that we are moving by legislative authorization to a system of in part financing health care that is totally inconsistent with the principles of the Hall commission.

Mr. Speaker, I don't know whether members of the Assembly had an opportunity Sunday to listen to *Sunday Morning* on CBC, but during the course of that morning session, they had an interview with Mr. Justice Hall, a man who is still one of the most remarkable Canadians I have ever had the privilege of meeting. It was worth noting, as they interviewed that learned, esteemed Canadian, now 85 years of age, who was appointed by Mr. Diefenbaker to look into the health care system and in 1964 came down with the Hall commission report, one of the great documents in the history of health in the world, I would say, not to mention our country . . . As a matter of fact, Mr. Speaker, the only quarrel one could have with Mr. Justice Hall is that he once made the mistake of running for the Conservative Party, but of course that was when there were a few progressives in the Progressive Conservative Party, and when people like John Diefenbaker were still active and involved and concerned about the little people of this country.

Setting that minor partisan jab aside for a moment, Mr. Speaker, I want to say that for those of us who are committed to the principle of a prepaid, fully comprehensive health insurance scheme, there can be no going back. I note that one of the backbenchers — I don't know which one it was — referred to it as socialized medicine. If that's the way he would like to describe it in the next election, I'm sure we would be glad to debate that poll by poll, because there is little doubt that the vast majority of Albertans, including I suspect the majority of the people who voted for the hon. Member for Edmonton Belmont, don't agree with his view of health care. In fact they would strongly support the principle of the health system that was enunciated by Mr. Justice Hall in 1964. Perhaps the hon. Member for Edmonton Belmont is too young; that may be an arguable case. But those members in this House who knew what it was not to have a system of prepaid health insurance, who can recall the difficulties either they or their parents went through in trying to pay doctors' bills, will know just how strongly held among most Canadians who've seen the contrast the commitment is to the principle of maintaining a fully comprehensive, prepaid health insurance system.

Mr. Speaker, the major aspect of that entire concept is accessibility. There should be no barriers to the use of the system. Before health insurance, there were all kinds of barriers. Either people had to ask for charity, the medical professions had to give charity, or the hospital had to give charity. It is worth noting that in this province we began to move away from that concept many years ago, even before my time. As a matter of fact, the first prepaid hospital insurance scheme was developed during the days of the old UFA government. Then during the years of the Aberhart and Manning governments, we went further along the road to developing and strengthening the system of a publicly administered hospital system which recognized that there shouldn't be barriers to people being able to use the system.

As a result of the St. Laurent government in the mid-50s recognizing that hospitalization was a cost-sharable item, Mr. Speaker, we then moved beyond hospitalization to medicare. We now have a package of health insurance which I think is among the best overall systems in the world. Because I believe

that very strongly, neither I nor my colleague could, in good conscience, support a system which is going to reduce accessibility to the hospitalization rights of Albertans.

Some say, what's wrong with \$20 a day up to a maximum of \$200? It will make people recognize the cost of the system. No, Mr. Speaker, it's not going to do that. What it will inevitably do is add another burden on people who, as a result of policies of this government, are going to be faced next year with higher income taxes, higher property taxes, and user fees. Sure, it may be that the maximum will be \$200, but there are many people in this province today, whether in rural Alberta or urban Alberta, where that extra \$200 is not going to be easily obtainable. Record unemployment, small businesses facing bankruptcy, difficulties in the agricultural sector — it's those extra charges which are vexatious and, in some cases, are going to be the straw that literally breaks the camel's back.

Mr. Speaker, what user fees do — I won't go back and quote the sources that I did during the debate on my colleague's amendment on Thursday night. But if one examines user fees and how they've worked in other provinces, there is no doubt that the empirical evidence shows that user fees act as a detriment to lower income people using the system. It's not going to stop a high-income hypochondriac from using the system, but it is going to act as a deterrent for low-income people who surely have a right to a decent quality of health care.

I know there are some people who would like to turn the clock back, who would like to suggest to their fellow Canadians that it's too costly a proposition. I say to those who make the sly arguments with the thinly disguised attack on our health care system: examine the real facts, examine the cost of health in this country and compare it to the United States. You will find that a smaller percentage of our gross national product is directed to health care in Canada, where we have everybody covered, than in the United States where some 40 or 50 million Americans don't have any coverage at all. Mr. Speaker, when we have a system which, while not perfect, is working well, why do we insist on bringing in a principle which is going to erode one of the basic underpinnings of that system? I tell you very bluntly, with all the passion I can bring to an issue, that there is no issue more important to me in this Legislature at the moment than the question of maintaining our health system.

In defence of that health system, Mr. Speaker, I believe those of us who oppose Bill 98 can speak for a majority of Alberta voters. I have no doubt about that at all. I reckon that this particular offensive concept is yet another of the Halloween tricks delayed a year and thrust upon the people of this province, when they voted for the Tories a year ago not knowing that they were going to get increased income tax, increased taxes of various kinds at the local level, plus user fees. I think many of them would have voted in a different way. Hon. members who now sit so quietly, securely, and apathetically in the Legislature would be doing something else. Maybe they would be more directly involved in the private sector.

Mr. Speaker, I say to members of the House that we totally oppose user fees. But even for the government, which seems determined to thrust this upon Albertans regardless of the wisdom, I think there is some argument for further study and evaluation. Therefore I would like to move that the motion for second reading of Bill 98, the Hospitals and Medical Care Statutes Amendment Act, on today's Order Paper, be amended as follows:

by striking all the words after the word "That" and by substituting the following therefor:

"the subject matter of Bill 98, Hospitals and Medical Care Statutes Amendment Act, 1983 be referred to the Standing Committee on Public Affairs."

SOME HON. MEMBERS: Question.

MR. MARTIN: Mr. Speaker, I was just being courteous again in giving government members an opportunity to get into the debate. Hope always springs eternal.

Obviously I rise to support this amendment. I think it is a very important Bill. Certainly the last two Bills we have dealt with are important. I don't like to put them in any [order] of importance. But very clearly we believe we are establishing a principle here. I know that the Minister of Hospitals and Medical Care has said, no, he wants to infuse money. But by legitimizing user fees, as we are in this Bill, I believe we are in danger of two things. First of all, we are in danger of losing federal money — and I will come to that — that will far outweigh any money we would take in in user fees.

Secondly and more importantly, besides the money is the whole concept of what medicare and hospitalization is supposed to mean in an affluent society. When we asked that this be referred to the Standing Committee on Public Affairs, there is a reason for that. Basically the reason is that at this point we do not see the understanding as to why we are moving and legitimizing user fees. The indication we are always given is that it has to do with money. But as I will point out, this does not make sense, because there are many things that we could do.

Mr. Speaker, if we refer to the five guiding principles of medicare that were established ...

MR. SPEAKER: Order please. May I draw to the hon. member's attention that he already dealt rather fully on November 17 with the question of the loss of federal money. Perhaps he might like to go on to another topic.

MR. MARTIN: Mr. Speaker, on a point of order. You can refer to each different question. You can go back on the arguments. When you talk about repetition, I think if you refer — I would like to know from you which item you are quoting from *Beauchesne* that says a person cannot do that.

MR. SPEAKER: We have a Standing Order — I think it's No. 22 — which gives the Speaker no option. It says that the Speaker will deal with the matter if there is unnecessary repetition. The mere fact that we go through the motion or have amendments which may not change the direction of the debate doesn't mean that the House must sit here and hear the same thing two, three, or four more times. This is simply stretching out the debate, and that is not the purpose of the House sitting here. If a point is made in one part of the debate, regardless of whether it is on the main motion, on an amendment, or on a subamendment, if that point is relevant to that particular part of the debate, then the House should not be required to listen to it again on another feature of the debate.

DR. BUCK: Mr. Speaker, on a point of order. The hon. member is not reading from notes. He is using material in reference to material that he has already indicated. Therefore if you are making an argument for why it should be referred to a committee, the hon. member is not giving the same speech that he gave at any other time in this House. What you are saying by the ruling is that you cannot refer to anything that you have said before, unless I have the wrong impression of what you have said. But when you are going back and indicating something you said previously or why something was done, that is not the same speech. Of course some of the material is the same, but the reference to how that material was used is really what the hon. member is talking about.

Mr. Speaker, I cannot understand how you can say that is a repetition. It is a repetition of the subject, but of course it is not a repetition of the way the statistics are used in one instance and used in an argument in another. I can't understand your ruling.

MR. SPEAKER: The question is: is it repetition of the same argument? I am not suggesting that the hon. member is giving the same speech again. There are a number of things that he is saying in a different way. It is a question of repeating the substance of the argument. I know the rule against repetition and the rule for relevance are difficult to apply, but they are there. Standing Order 22 doesn't say a member may be called to order by Mr. Speaker; it says "will be called to order". I realize there has been a great deal of latitude over the years, and I think there has been latitude this time as well. A number of arguments have been repeated that I haven't really intervened in.

The hon. Member for Clover Bar referred to the hon. Member for Edmonton Norwood not going by notes, perhaps indicating that he might not remember what he said before and consequently may be saying it again inadvertently. That certainly can happen, and I appreciate that the hon. Member for Edmonton Norwood isn't reading a speech. But if he inadvertently goes into repetition and I happen to know that he's doing it, then I think it is incumbent on me to draw his attention to it.

MR. MARTIN: Mr. Speaker, on a point of order. You are wrong in two areas. First of all, the rule applies only to repetition within a given speech addressed to a given question. I have not spoken to this amendment, so surely I could not have repeated myself. Regardless of whether a given argument has been used to support or oppose a previous question, as long as it is relevant to the question at hand, no charge of repetition can properly be levied. To allege repetition simply because a member is using arguments previously used with regard to another question is not reasonable.

Mr. Speaker, the other point is that I did not talk about the five things. I think you've confused [me] with the Leader of the Opposition. I did not talk about the five guiding principles of medicare, if you want to refer to *Hansard* on that. I think your order is improper at this time. If you check back in *Hansard*, you will find that.

MR. SPEAKER: I wasn't referring to the five guiding principles. I was referring rather to the loss of federal funds. That was definitely raised previously. There is nothing in Standing Order 22 that says you can repeat the same thing: if you say it on the main motion, you may repeat it on an amendment and then again on a subamendment. There is nothing in 22 that would give any justification for that kind of opinion. Surely it is common sense that the same argument shouldn't be made, having the House sit here listening to the same argument a number of times. Standing Order 22 is obviously based on common sense.

MR. MARTIN: Mr. Speaker, on a point of order. It is who is determining common sense here.

MR. SPEAKER: That happens to be my duty under the circumstances.

MR. MARTIN: Mr. Speaker, on a point of order. I think you are stifling debate here.

It's a reasonable amendment. It's not even an argument I've made. If every time there's a word that somebody used before or referred to, it's going to get to the point, Mr. Speaker, in all due respect — what are we even going to end up talking about? What we are doing is following legitimate parliamentary debate, stalling, if you like — which is quite legitimate — a Bill that we find repulsive.

The fact is that this is a new subamendment. At one time I did refer to — this wasn't going to be the total mark of my argument; I just referred to it very quickly. I said there was a reason for that — not at this time, two weeks ago. Are we going to follow through on this? Every time somebody mentions a word or two at some point in a debate, we can't mention these words or the concept again? Is that what you're saying, sir?

MR. SPEAKER: Of course the hon. member is quite out of order in accusing the Chair of stifling debate. That's not the sort of remark that is supposed to be made in a parliament, because you don't take it out on the referee. However, by no means am I interfering with the repetition of a word that's used more than once. It's an argument that I'm talking about. If the hon. member is stalling, as he mentioned a moment ago, then my only suggestion is that he has to do it skillfully.

DR. BUCK: Mr. Speaker, on a point of order. I have great difficulty, sir, in following what it is you're saying to us. Are you saying that if 74 members of this Assembly got into this debate, the 70th or 74th or 75th would be left with absolutely nothing to say? He could not say what speaker number one had said? Is that what you're saying? That's the way I interpret it, and I cannot believe that.

MR. SPEAKER: If the hon. Member for Clover Bar has perceived what I've said in that way, then I have to agree with him that it's wrong. I'm not saying one member may not repeat what another member has said within limits. There is even authority to the effect that once an argument has been made by one member, it shouldn't be repeated by another member. I've never gone that far, but I have read authority to that effect. I don't remember where, but I'll find it. What I am saying is that the same member shouldn't be repeating the same arguments. That's all I'm saying; it's very simple.

MR. MARTIN: A point of order, Mr. Speaker. I think this is a rather important ruling. For clarification, I'm sure you're also aware that *Beauchesne* says that in repetition the Speaker should always err on the side of the hon. member. The point I'm making here is: are you saying that once an argument is made, right through debate — through second reading, Committee of the Whole, and third reading — that member cannot come back to that argument at a later reading? That's really what you're saying.

In quickly going through, I mentioned — and I think it's an important and valid thing — millions of dollars in a time of restraint as an important reason. I was going into the five guiding principles of medicare. Are you saying, sir, that once an argument has been made, say, in second reading, a member cannot refer to that argument again? Is that what you're saying? I want clarification on this.

MR. SPEAKER: I'm not saying he can't refer to it, and I'm speaking about the same member, not a different member. I'm saying that the same member who has made an argument should not repeat that argument on the same subject, whether it be in second reading, third reading, committee stage, or whatever.

The argument is made. It's recorded in *Hansard*. There are people here with work to do.

MR. MARTIN: Mr. Speaker, we are performing what we do as the opposition. That's very important work too, sir. I would again refer to section 299 of *Beauchesne*, which says:

The rule against repetition is difficult to enforce as the various stages of a bill's progress give ample opportunity and even encouragement for repetition.

It says:

In practice, wide discretion is used by the Speaker and the rule is not rigidly enforced.

I think that's a very important principle, Mr. Speaker.

In this case, I think perhaps you were a little quick to jump into the debate and in saying, again, that we can't advance arguments all the way through. If it's a bad Bill, at least in reference to the opposition, maybe the arguments are still valid. That's their duty: to fight and make arguments through all stages. Surely, following this literally, we make a five-minute speech on each Bill and that's it.

MR. YOUNG: Mr. Speaker, on the point of order. First of all, I could make the observation that the amendment, which as I understand it is an amendment to the Bill itself and not a subamendment ...

MR. SPEAKER: It's an amendment to the motion rather than to the Bill.

MR. YOUNG: I'm sorry — an amendment to the main motion at second reading, but not a subamendment to an amendment, which I was concerned might have escaped our attention.

First of all, I note that the amendment is fairly direct in its intent. It would require that anyone speaking to it speak to reasons for proceeding in such a manner rather than in the normal course of procedure here. I think that does in fact, under section 22(c) of *Standing Orders*, pose some interesting challenges for those who will speak to it. The previous amendment was along the same direction — a different end result but along the same direction — so it will indeed be challenging. I would invite all members to assist Mr. Speaker in observing the intent of the application of section 22 of our *Standing Orders*.

MR. SPEAKER: There's really no need for any further discussion of the point of order. I think all the points that can be made have been made. If the hon. member wishes to continue, perhaps he'd do so.

MR. MARTIN: Thank you, Mr. Speaker.

I would like to continue with precisely the reason we think this is a bad Bill, and why it has to be referred to the Standing Committee on Public Affairs. With time to study this Bill and all the relevant facts that go into the Bill, we are hopeful that at some point they will change it and not legitimize user fees.

As we said, when medicare was established in statutes and federal/provincial agreements, there was agreement by all participants, including this province, that there were five guiding principles: universality, accessibility, comprehensiveness, portability, and public administration. I suggest to you that by legitimizing user fees, as we are doing in Bill 98, we are affecting universality. At the very minimum, even if the government says we're not, there is genuine debate not only within this province but throughout Canada that in fact we are violating universality by user fees. Obviously there are other people talking about double billing affecting universality. That's not relevant to this Bill — but certainly legitimizing

user fees. Rather than taking a chance with one of the basic guiding principles of medicare, namely universality, we suggest that we need time to study it. That's why we've asked it to be referred.

The section of our agreement with the federal government which user fees violate is very clear. It's a short paragraph and is as clear as can be. It reads: provide insured services in a manner that does not impede or preclude either directly or indirectly, whether by charges or otherwise, reasonable access to insured services by persons entitled thereto and eligible therefor.

Mr. Speaker, it is clear to us that after January 1, with the possibility of user fees—and it will be up to each hospital board—we are affecting this precisely in this paragraph. That is why we are saying to this government in every way possible, trying to help them not make a major mistake, that we want them to refer to the committee.

Mr. Speaker, it's not just the opposition that is saying this. If you look at almost everybody who studies user fees—ranging from a study in '68 of user charges in Saskatchewan by Mr. Beck, and Badgley and Smith, the Ontario Council of Health, 1979—they clearly say that the groups who are most affected by user charges are the socially disadvantaged; the poor and the elderly. That directly covers the universality and the accessibility. I won't go into the Hall commission; my colleague has talked about it. The Northcott and Snider study here in the province, the Consumers' Association of Canada study, the Financial Post health care conference: all these people are saying that user fees affect accessibility, therefore we're going against the guiding principle that this province has signed.

We're given to believe, by the minister, that the reason we're bringing in user fees is because of the cost of medicare. Certainly medicare is expensive; nobody says it isn't. We're already all paying for it through our taxes, in which we're getting an increase of 13 per cent. But there is every indication to say that it is not overabuse, as the minister has said, and that's not why we're bringing in user fees. The Health Care Insurance Commission annual report—the government's own report—shows that from 1980 to '81 there was only a 2 per cent increase in services to patients, and from 1981 to '82 a three-tenths of a per cent increase in service to patients. But if we're really serious about the cost—and this is a "but"—from 1980 to '81 there was a 20.6 per cent increase in payments to doctors. At the same time, in the following year, 1981 to '82, there was a 24 per cent increase in payments to doctors.

The question before we bring in user fees and legitimize them in this Bill, and why we think it needs more study, is why blame patients for increasing costs? If we're serious about the costs, there's where we'd better take a look, Mr. Speaker. The minister estimates that if all hospitals implemented fees, they might bring in another 3 per cent of the operating budget. That's a maximum, and the minister admits this. That's hardly going to solve the problems of user fees, all the financial problems we have with medicare. It's hardly going to do that. We're suggesting that if he's talking about it being so minimal, why go through the process? Because as we already pointed out, it is going to affect certain people, the working poor—inaccessibility.

The point we have to make and have time to study in terms of costs is that the government itself is responsible for the massive hospital construction program. We're told that in Fox Creek, Mr. Speaker, they have a 10 per cent vacancy rate. That's costing them. The hon. Member for Clover Bar has brought this up in question period. Are we looking into that if we're seriously interested in controlling costs? One of the things that the member from Lethbridge—Lethbridge West, I believe;

I'm not sure which part—has talked about is prevention. When we look at the budget, I would agree with the hon. member from Lethbridge that what we should look at is how much we're spending. There's only \$180 million budgeted for all community based and preventative health programs. That's 8.2 per cent of the total hospital budget. As the hon. member correctly points out, if we compare that to \$270 million in liquor profits and if we're serious about the costs, let's look into preventative medicine there. This committee could do that; there's absolutely no doubt.

The other thing—why we think we'll have user fees. The minister says that basically it's up to the hospital boards. I would suggest that inevitably we're going to have user fees, maybe not all on January 1, because there's been only a 5 per cent increase in the budget of the hospitals. We're told by the Provincial Treasurer that next year there could be as low as 0 per cent increase. Inevitably user fees are going to become a fact of the land. If you undercut the hospital boards, how else are they going to pay for it?

The other point that has not been made clear by the minister is that there's no proof yet that administrative costs for hospital boards to bring in user fees and to look after them will not eat up money earned from user fees. It seems to me government at its worst if we're bringing in another bureaucratic program and it's not actually bringing money in. We've never seen a cost analysis of this. Maybe that's what this committee could go back and take a look at. When we were talking about finances in question period, I brought up the study from the joint committee on infection control. They said that with proper infection control, we could save up to \$4 million a year. That's a lot of user fees, and this committee could begin to look at that. They could begin to look at this committee report and find out where they can save money there.

Another report they can take a look at—and I agree with the Minister of Hospitals and Medical Care that it wasn't a very good report, but it certainly raised problems—is the report on surgery by the College of Physicians and Surgeons. It clearly pointed out a correlation between fee for service and large unnecessary surgery rates. If we take just that one area, we find there is a 3 per cent rate of Caesarian sections in the Netherlands, with a 14.3 per cent rate outlined here in Alberta. Surely a committee would want to look into this if we're really serious about cutting down on costs. That's the only reason the minister has given us, so we want them to have time to go back to this committee and take a look at it.

I could go on and on and on. We've talked about seat belts. We've talked about many other aspects of where we could actually save money. But the point is that this hasn't been done. We could talk about community clinics, the false claims that I've raised in the House. There's lots of money there, probably millions of dollars. The College of Physicians and Surgeons estimates that there are five every year. That's a lot of money. When we talk about finances, the bottom line that we'd want this committee to take a look at, as I mentioned before, is that if they're looking at private management as the answer, I remind this government, through you, that when they take the GNP, that 7.9 per cent of the Canadian GNP is spent on health care as opposed to 9.8 per cent in the U.S., where there are private hospitals and no medical care.

This is precisely why we want a committee to look into all these things and come out with some new ideas to save costs. What I'm suggesting is that there are many ways and there are many places to take a look at. Why do we have to rush into it now, when the minister is saying it's not going to be that much money? As I come back, I hope I'm wrong, but I believe we're on a route towards private hospitals, as in the United States. That's why I want this committee to take a look at it.



Because we feel it is such a bad Bill, we in the opposition are fighting it with every means we have. One of the other means to give this committee some direction — and what we would like to see done, because it would give them some important feed-in — is to bring in a subamendment. It's very simple, Mr. Speaker:

by adding at the end of it: "and that the Committee be instructed to hold public hearings on the subject matter of the Bill."

By public hearings, Mr. Speaker, we believe that this committee would see how the people of Alberta feel about it, and perhaps would change their minds on what we consider a very bad Bill.

Thank you, Mr. Speaker.

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

DR. BUCK: Mr. Speaker, what's the hurry? I'll at least show the other members the courtesy of having them wait to see what it is that they're going to vote against. I'll just wait for a moment. Will I lose my place if I sit and we wait until the subamendments have been duly distributed?

MR. SPEAKER: I can't see that that would be terribly out of order. On the other hand, I can't instruct members as to what they should read before they vote. Has the hon. Member for Clover Bar the subamendment?

DR. BUCK: Yes I do.

MR. SPEAKER: Then I suggest we proceed.

DR. BUCK: Mr. Speaker, I really take offence with the supposed impartiality that the Speaker is supposed to display. I say that, sir . . .

SOME HON. MEMBERS: Order.

DR. BUCK: Mr. Speaker and members of this Assembly, it is a common practice when an amendment or a subamendment is handed out that surely we don't start the debate until at least the people have received the subamendment or the amendment.

MR. SPEAKER: Order please. The hon. member's remarks are quite out of order. I'll just act as if I hadn't heard them.

I have no right to instruct members what they're to read before they vote, and I have yet to recall an incident in this House when the debate on a subamendment was delayed while the pages distributed copies. I've never heard of that occurring. I'm sure the hon. members won't have any difficulty following the hon. member's speech with one ear and looking at the amendment with one eye.

DR. BUCK: The reason that I take offence, Mr. Speaker, is that it is not the responsibility of the Speaker to rush matters through this Assembly.

AN HON. MEMBER: That's because you're trying to stall.

MR. SPEAKER: That's irrelevant. I'm not rushing a thing. If the hon. member wants to get on with his speech, would he please do so.

AN HON. MEMBER: Question.

DR. BUCK: Oh shut your mouth.

SOME HON. MEMBERS: Order.

DR. BUCK: What a bunch of puppets. What a charade.

MR. SPEAKER: Order please. I respectfully suggest to the hon. member that a long needle should be accompanied by a long fuse. I would ask him to deal with this word "puppets" again. I know that he used it previously in an aside when he was heckling, and I didn't say anything about that earlier this afternoon. But that is not an acceptable word in a self-respecting parliament. We've gone into that at some length. I respectfully ask the hon. member to withdraw that statement.

DR. BUCK: Mr. Speaker, I'll be glad to withdraw the statement that they are puppets. They act like puppets.

MR. SPEAKER: Order please. You know, there are withdrawals and withdrawals. Occasionally we get one where the withdrawal simply repeats the offensive remark in a different way. Surely the hon. member knows that that's not a withdrawal.

DR. BUCK: Mr. Speaker, I withdraw the statement that the government backbenchers are puppets. I withdraw the statement that they appear to be puppets. If the hon. members find that distasteful, then I withdraw it.

MR. SPEAKER: May I express my thanks.

DR. BUCK: Mr. Speaker, I'm not sure if you're welcome, sir, but . . . I will read the subamendment we have before us in case some of the Tory backbenchers can't read or can't understand:

by adding at the end of it: "and that the Committee be instructed to hold public hearings on the subject matter of the Bill."

The hon. Member for Edmonton Norwood talked about referring Bill 98 to the Standing Committee on Public Affairs, and now we're talking about public hearings being held on the subject matter of the Bill. I think it's an opportune time to just go back a little bit in history as to what happened in '68-69, when the province of Alberta was forced to enter into medicare. Mr. Speaker, at that time the then Premier of the province had tendered his resignation to the Social Credit caucus, saying he would step down and there would have to be a leadership race. I was one of the participants in that leadership race. I was one of the people at that time who said we could do without this ill-conceived universal federal medicare program. The reason I said it, and I still defend that position, is that at that time 85 per cent of the people of this province were insured by the private carriers. Of the remaining 15 per cent, under the Manning plan, the people who could not afford to pay their premiums were going to be subsidized or their premiums would be paid outright by the ones who could afford it, through the public purse.

Mr. Speaker, when we were talking about universal medicare and when that leadership race was on, I was riding to Calgary on an airplane and I sat beside a very prominent Liberal in this province who was against the proposed federal universal medicare program. I said, why would a prominent Liberal say he was against the program? He said, because I'm a free-enterpriser.

MR. COOK: Mr. Speaker, I'm enjoying the story, but I'm having difficulty relating this story to the concept of holding

public hearings, which is the only point that is different from the main motion. That's the point he should be speaking on.

MR. SPEAKER: Again, notwithstanding some of the remarks that have been made this afternoon, there has been a considerable amount of latitude. I had some expectation that the hon. member was about to relate what he said to the subamendment. I agree that we now have a situation before the Assembly that is quite different from a motion for a six-month hoist, in that the focus of the debate must be very, very substantially narrowed as to why the subamendment should be changed to add public hearings. It would seem to me that the only debate that would be relevant on that would be debate which might assess the usefulness or lack of usefulness of public hearings.

DR. BUCK: Mr. Speaker, if we're going to have public hearings, we have to disseminate information to the public; that's pretty obvious. I think even the hon. Member for Edmonton Glengarry, when he goes home and reads his comic books tonight, will be able to understand that. When we talk about the public participating in public hearings, the public has to know what went on, why we got to the stage we're at now, why we got to this point in time. Because two federal Liberal cabinet ministers decided they needed some public support, and they knew some people who were not able to have access to medical care coverage, they decided over a cup of coffee one morning — two of these prominent inner circle cabinet ministers — they were going to set up a universal medicare program like they have in jolly old Great Britain. At that time, having been a free-enterpriser all my life . . . [interjections] That's all right. They can chuckle; they've probably been instructed to chuckle. All we have to do is to look at what has happened to the universal program in Great Britain.

MR. SPEAKER: With great respect to the hon. member, he is disappointing my expectations that he was going to start dealing with public hearings.

DR. BUCK: Mr. Speaker, your enthusiasm is too ebullient. You just can't wait until I get to the matter of the public hearings. If we're going to have public hearings, you can be sure that all of this material will come to those public hearings. Because why do we have public hearings?

MR. SPEAKER: We mustn't have the public hearing now. We have to decide first whether we're going to have one.

DR. BUCK: Okay, Mr. Speaker. When we have these public hearings by a committee set up by this Assembly to hear matters of public affairs, then the material will be presented to us. When we are talking about this committee, asking for public hearings, when the public comes forward at these public hearings that this committee will instruct be held, the information that I am trying to bring out at this time will certainly justify the fact that we have to have public input. Because public hearings and the need for those public hearings is a subject matter that all politicians, be they on this side of the House or on that side of the House — their constituents will be bringing, and have brought, those concerns to the members of this Assembly.

When we instruct the committee to have these public hearings, what is going to be the structure of the hearings? Well, Mr. Speaker, I say that in public hearings there will be people who want to express their views on [whether] we should maintain the system as it is now, or are we going to go back to the old system or progress to a different system? That's why the

committee. Maybe there's something this Assembly has missed. Maybe there's something the Minister of Hospitals and Medical Care has missed. Maybe if this committee functions properly, in calling for these public hearings new information will come forward to this committee, and from this committee to the Legislature, and from the Legislature . . . Heaven forbid! The caucus may even make a recommendation to the minister of health and social development.

MR. SPEAKER: May I respectfully draw the hon. members' attention to the clock, and to say that the House stands adjourned until eight o'clock this evening.

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

MR. SPEAKER: Might we revert to Introduction of Visitors. I think the hon. Member for Lloydminster has something in mind.

HON. MEMBERS: Agreed.

#### head: INTRODUCTION OF VISITORS

MR. MILLER: Thank you very much, Mr. Speaker. Indeed it is a pleasure this evening to have with us a very distinguished former colleague of ours in this Legislature, who is occupying a seat in the middle section of the members gallery, Mr. T. C. Donnelly, the former Member for Calgary Millican. It's a pleasure to see you back this evening, Tom, and to express how happy all members of the Legislature are to have you with us.

#### head: GOVERNMENT MOTIONS

25. Moved by Mr. Horsman:

Be it resolved that:

- (1) a select special committee of this Assembly be established to examine the appropriate role, operations, functions, and structure of an Upper House in the Canadian federal system. The review shall include examination of alternative methods of selecting members, geographical representation, and legislative powers and responsibilities of the present Canadian Senate and of other Upper Houses;
- (2) the committee shall consist of the following members: D. Anderson, chairman; S. Embury, vice-chairman; H. Alger, D. Carter, R. Moore, C. Paproski, N. Pengelly, R. Speaker;
- (3) members of the committee shall be paid in accordance with section 43(1) of the Legislative Assembly Act;
- (4) reasonable disbursement by the committee for staff assistance, equipment and supplies, public information needs, rent, travel, and other expenditures necessary for the effective conduct of its responsibilities shall be paid, subject to the approval of the chairman;
- (5) in carrying out its responsibilities, the committee may, with the concurrence of the head of the department, utilize the services of members of the public service employed in that department or of the staff employed by the Assembly;
- (6) the committee may, without leave of the Assembly, sit

- during a period when the Assembly is adjourned or prorogued;
- (7) when its work has been completed, the committee shall report to the Assembly if it is then sitting, and may release its report during a period when the Assembly is adjourned or prorogued by depositing a copy with the Clerk and forwarding a copy to each member of the Assembly.

MR. HORSMAN: Mr. Speaker, in rising to move Motion 25 standing in my name on the Order Paper, I want to make a very few opening remarks with respect to the subject of the upper House and the reason for the government's decision, if the Legislative Assembly approves the motion, to move to the appointment of a select committee of the Legislative Assembly to review the role of an upper House in the Canadian federal system.

Mr. Speaker, I think most Canadians, including members of the opposition in this Assembly, can agree on one thing, and that is that the Senate of Canada has not done the job it was supposed to do. I think that is unanimously the opinion of people I've spoken to, and therefore, as part of the next phase of constitutional development in Canada, action should be taken to review the role of an upper House in the federal system.

As members are aware, the government of Canada, through the establishment of a joint Senate/House of Commons committee, has moved to review the subject, and has travelled across the country to elicit the views of Canadians on this subject. The joint committee report is due at the end of this year, and it will be very important to the select committee established by this Assembly to review that report when it is made.

I think it is important to point out something to members of the Assembly with respect to what the federal government expects to happen in this process of discussion, because it was obviously missed by people in the news media in particular. The Hon. Mark MacGuigan, the federal Minister of Justice, in commenting to the joint committee of the Senate and the House, made it very clear that federalism has consequences for the process by which the Senate reform can be achieved. He points out quite correctly that the amending formula must be applied to any change in the Senate. Therefore the assent of not only the House of Commons and the Senate, and of Her Majesty the Queen is required to any change for the upper House but indeed the approval of seven provincial legislatures representing at least 50 per cent of the Canadian population is also required.

Mr. MacGuigan points this out, and this was missed by those people who criticized our government for not appearing before that joint committee.

Before intergovernmental discussions begin, Parliament will therefore consider its own reform . . .

That in fact is what the joint committee was doing, and after that report is made and when those recommendations are in the hand of the government of Canada with the better knowledge of the wishes of the Canadian people, as they have ascertained it in their hearings,

the Government of Canada will then be able to undertake the necessary discussions with provincial governments.

Mr. Speaker, that is absolutely essential for us and all Albertans to understand as we embark upon this action.

Our discussion paper, *A Provincially-Appointed Senate: A New Federalism for Canada*, was put forward last year. It contains many ideas which will have to be reviewed with Albertans as the committee proceeds with its responsibilities and its work. As has been pointed out on many occasions, that paper is a discussion paper; it was intended for that purpose. It is not

a position paper, and the government has not taken a formal position.

The committee will be required, during the course of its activities, to speak to parliamentarians at the federal level in Ottawa and with other provinces. There may be some international travel required to review what is taking place in other federations with respect to upper Houses, and of course we must have public hearings across the province of Alberta during the course of the committee work. We hope that that process will be informational both ways: from the point of view of the members of the committee informing the public of Alberta and vice versa. One thing that is absolutely clear is that in this process the government of Alberta intends to take its time and carefully weigh the alternatives that are available with respect to reforming the upper House.

I can report to members of the Assembly that during my most recent visit to Alberta House in the United Kingdom, I spent five days in meetings with parliamentarians from the United Kingdom, parliamentarians from Australia, and political scientists knowledgeable of federal states. I had the opportunity of visiting at some length with Lord Shackleton who chaired a Commonwealth Parliamentary Association seminar on this subject which lasted for some days, and which contained a vast amount of material relative to how federal states deal with the subject of upper Houses. I have compiled that information and have brought it back from the United Kingdom with me. Members of the committee will be delighted to learn that there is an ample amount of reading with which I will burden them to begin with. I'm sure they're happy to hear that.

Mr. Speaker, I think it is also significant to make these points. It is extremely significant that members of the committee review the positions of other provincial governments. In particular, I draw their attention to a speech made here in Edmonton earlier this year by the Hon. Tom Wells, the Minister of Intergovernmental Affairs for the province of Ontario. The speech perhaps went largely unnoticed by the news media, because it was good news coming from Ontario and very positive toward the province of Alberta. But in any event, that speech and what Mr. Wells has had to say on the subject of reform of the upper House will be a matter which must be taken under consideration by the committee during the course of its deliberations, and certainly the other provinces and territories of this country must be consulted in the process.

I mention the Territories specifically, and I think I should draw all hon. members' attention to the fact that today is a day of great significance in the evolution of self-government in the Northwest Territories, as the people of that territory, freely emerging into the status of self-government, go to the polls to elect another government. I thought it would be useful, during the course of this debate, to draw members' attention to that great significant event in Canadian history.

Finally, Mr. Speaker, I want to say this: we are going to take our time because it is absolutely essential that we carefully consider the position of the province of Quebec with respect to the Constitution. We are all aware — and it is unfortunate that the government of Quebec could not see its way clear to becoming a signatory to the constitutional accord — that in fact they have taken a position contrary to the other nine provinces and the federal government. In forming and reforming an upper House, let me draw hon. members' attention to the dire consequences which may very well ensue if we do not have Quebec as part of that whole process of constitutional reform at the time we proceed to make any changes in the upper House. Let us be very careful therefore that the wishes of the people and the government of Quebec are taken into consideration during the course of the deliberations of the committee.

Mr. Speaker, with those comments I am pleased to move the motion and to wish the members of the committee well during the course of their deliberations. During the course of their deliberations, they will learn a great deal; Canadians will learn a great deal. By the time the government of Alberta has formulated its position in a clear and concise way, we expect Albertans and hopefully all parties in the Assembly will be firmly behind the position that we are to deal with.

Before concluding, Mr. Speaker, there is an amendment which has been circulated to the Assembly. I have copies which have been made available. I filed the original, together with additional copies, with the Assembly. That amendment, which I should like to move to now, provides that we strike out the words "or prorogued" in paragraphs (6) and (7) where they appear in the motion.

MR. SPEAKER: We haven't dealt with the amendment. I don't know if the hon. member wishes to speak on the amendment or on the main motion. I have this old-fashioned difficulty about a member moving an amendment to his own motion. Perhaps somebody else could sire the amendment.

MR. HORSMAN: Why don't you let Ray do it; then he'd have something that would pass.

MR. CRAWFORD: Mr. Speaker, despite the suggestion made by the Deputy Government House Leader that if the hon. Member for Edmonton Norwood were to move this then it might be historic in that something he moved would likely pass, given my normal inclinations I will be glad to sire the amendment.

MR. SPEAKER: I'm not sure about the result. Does that mean the hon. minister is moving the amendment or that he's going to move the amendment if the hon. Member for Edmonton Norwood doesn't?

MR. CRAWFORD: Mr. Speaker, I wasn't as willing as my hon. colleague to give the hon. Member for Edmonton Norwood a chance at such an historic place in *Hansard*.

[Motion on amendment carried]

MR. MARTIN: Just a few comments, Mr. Speaker, and perhaps the hon. minister could answer a couple of questions. At this particular time, some people might say it's costly, but I happen to agree with the government this time. I think it's appropriate that we look into the role of the Senate, because if we keep the Senate going as it is, it's costing all taxpayers a lot of money for no value at all. So I'm going to support this resolution.

[Mr. Appleby in the Chair]

I think it was certainly time a hundred years ago to do away with the Senate as we now know it. Mr. Speaker, all I can say is that I don't know if it ever had a purpose as it now stands. Certainly all it has become is a rest home mainly for Liberal politicians, because they've been in power. I hope the select committee will take a look at all alternatives, ranging from having no Senate to, as we've suggested — somewhat similar to the government — a House of the provinces, and that we not be biased to the fact that we have to have a Senate, elected or not. I hope the committee would look at all alternatives.

I did not get my other point from the minister, or maybe I missed it, Mr. Speaker. When do they hope to report back to the Legislature? I hope they do. I will support the resolution.

As I said, I think it is appropriate to do this at this time, and hopefully all of this will become changes in Canada that are needed. I believe firmly that if this country is going to stay together as a country, our institutions — and certainly the Senate is one of them — are going to have to reflect the regions of this country much more than they have in the past.

The only thing I would suggest is that maybe we should take a look at the whole area, even the House of Commons. I know we're not going to. I disagree with some people in my party on this, but I believe it is perhaps time that we should be looking at proportional representation too. I think that is another aspect of having our institutions reflect the regions of this country. I am a proud Canadian; I want this country to stay together. In this province, in Quebec, and in other places, we have all seen regionalism develop to the point where it could tear our country apart. For that reason, I think this is appropriate now. I also wish we would take a look at proportional rep. Maybe the hon. House leader will do that at some other point.

With those few comments, I will support the resolution. Perhaps in closing debate the hon. member could come back on the two questions that I asked.

Thank you, Mr. Speaker.

DR. BUCK: Mr. Speaker, I would like to rise briefly. I am going to oppose the resolution. It seems that it is becoming almost a tradition in the Canadian Parliament and the legislatures to be making a lot of make-work projects. This is going to be another one. This may sound un-Albertan or un-Canadian, but we have been discussing Senate reform almost since the Senate was struck.

I think that it's just about time — it looks like we're going to be forming a new government in Ottawa, the sooner the better. If anything is going to happen, it's going to happen because we are going to have a new prime minister and new party in power. The heir apparent is making many promises about what he is going to do for the west, and I believe them. I believe that the hon. gentleman, Mr. Mulroney, will be the prime minister of Canada; there is absolutely no doubt in my mind about that. It is going to be an opportunity for a new government in Ottawa to sit down with the provinces and treat the provinces as equal partners in Confederation.

There is nothing wrong with setting up the committee that we propose, except that it is going to cost the taxpayer a whole bunch of money to really find out what we already know: the Senate, as it is presently constituted, has to go. We don't have to spend thousands of dollars finding that out. You can go down any street in Alberta — rural towns, any place — and they will all tell you the same thing. Very briefly, that is why I am opposing the resolution. All we are going to do is find out exactly what we already know. It's just about time that legislators and parliamentarians started showing some respect for the taxpayers' dollars.

Mr. Speaker, it is a great idea if you want to keep elected people employed. But what we are going to find out, we already know: the Senate needs reform. When we get a new prime minister who can work in harmony with the premiers of the provinces, when we get a new government in Ottawa, I am hoping we will get something done, sit down with the premiers and the ministers of federal and intergovernmental affairs, and get the ball rolling. As the hon. members who have spoken before me said, if we are going to keep this country together, we have to make some major reforms. Everybody knows that. I have confidence that a new government, in conjunction with the premiers, will get the job done and save the taxpayers some money.

DR. REID: Mr. Speaker, I would like to make a few remarks on Motion 25. I'd like to put them in the context of having served on the select committee of this provincial parliament chaired by the Member for Edmonton Meadowlark. They are somewhat diametrically opposed to the opinions recently expressed by the Member for Clover Bar.

When we travelled across Canada on that select committee, we communicated with Canadians on what was a vital matter to the future of our country: its Constitution. Communication is always a two-way process. At the end of our travels — and they were literally from St. John's harbor mouth to Whitehorse, Yukon — not only did other Canadians in the rest of Canada understand what Canadians in Alberta felt about our country but I think we also understood what they felt about our country. What part our report and discussion and communication played in the eventual resolution of that problem, I do not know, and we will never know. But I'm sure all members of the committee are now certainly very well aware of the very diverse nature of our country.

We're now looking at another part of our constitutional evolution, and it's the problem of our second House. A country like ours is very diverse, as I said, and straight representation by population, as we all know in the House of Commons, results in a preponderance of members coming from the heavily populated central two provinces. Surely the aim of Senate reform has to be to introduce some other form of representation which will adequately represent regional diversity.

Of course there is a difference this time. Whereas I think most of us felt we knew where Albertans as a whole stood on the Constitution and we also felt we had been adequately — and that's an inadequate word — communicated with by our constituents, I think a large number of Albertans are currently unaware of the significance the Senate's future could have for our country. They may not feel adequate to correspond with us. I think the committee will have to travel widely in this province in order to learn what Albertans think and to stimulate their response.

In addition to travelling within the province to find out what Albertans think about the future status of our second House in Ottawa, I hope the committee would also travel across Canada as we did, so that when they present their report to this Assembly, it will be a report based not only on the opinions of Albertans but also of Canadians in the rest of the country. I would also suggest quite strenuously, Mr. Speaker, that at least some of the committee should travel to countries which have already experienced other forms of an upper House, if that's the correct word, than we have here in Canada. Australia, the United States, and Germany come to mind.

I'm saying this in full knowledge that it may cost some money and, with my background, I don't spend money for no purpose. But I think that if we are going to adequately reform the Senate, it should be done on the basis of doing the job properly. We should attempt to have the Senate function as we would want it to for the benefit of all of Canada. To do that, I think is a very worth-while investment of both the time of the members of the committee and the dollars that will be spent by this Legislature in their studies. I therefore make these remarks with the full knowledge that it will cost dollars, but I am convinced they will be dollars well spent.

Thank you.

MR. COOK: Mr. Speaker, I'd like to rise and participate in the debate on this motion as well. Canada is a curious amalgam of the British parliamentary form of government and, in a sense, our heritage as North Americans with the American federal system of government as well. We've had a difficult experience

trying to mesh two very different principles of government, one being a federal system and the other being a British parliamentary government. I think the difficulty that I'm referring to came to a head in 1981, when we had an executive in Ottawa that wanted to ram through a very different point of view on constitutional reform, a point of view very different to that of many of the provincial governments. Perhaps it could also be underscored by the national energy program that the Liberal administration again tried to ram through but did not take into account the interests of some of the regions. I think the defects in the institutions of the central government came to a head in 1981. For that reason, I think it's very timely that the federal government — having recognized that problem — and provincial governments across the country now take another look at Senate reform.

I think the Senate has several key roles to play in our national government. We have to look at things like the qualifications of senators, the method of their selection, the quality of representation, the balancing of provincial interests in a national institution, and the powers vested in that Senate. Those are all fairly complicated questions, and I'm not going to offer any real perspective on the answers. I hope the committee will travel across the country. Like the hon. Member for Edson, I hope too that they take a look at some other federal systems of government in the world that seem to be working, as ours certainly is not, and take a very thorough look at how other systems are structured.

I'd like to refer to the father of the American Constitution, James Madison, who wrote in *The Federalist Papers* in the late 1700s about the role of the Senate as he saw it, and he was referring to the broad political implications of having a second Chamber. He said:

It doubles the security to the people, by requiring the concurrence of two distinct bodies in schemes of usurpation and perfidy, where the ambition or corruption of one would otherwise be sufficient.

What was he saying there, Mr. Speaker? He's saying that if you have two bodies of very different make-up, it's unlikely that one can impose its will on the other unless the idea is worth while.

I go back to the national energy program. I doubt very much that a House of Commons would have been able to impose its will on a Senate that was made up of regionally balanced senators who had some political legitimacy. He went on to say that

the improbability of sinister combinations will be in proportion to the dissimilarity in the genius of the two bodies.

He's arguing that we need another Chamber with a very different kind of representation. He went on to say that he thought the Senate would anchor against popular fluctuations, because it would have a longer term and a longer, broad point of view. He went on to refer to Sparta, Rome, and Carthage as being the models of the American Senate.

I guess that just underscores the point that our committee ought to travel, look at other jurisdictions, as other countries have as well, and come back to us with some recommendations on form, responsibilities, and powers of that upper Chamber that is so desperately in need of reform and so important to us as Albertans.

So I heartily support this resolution, and look forward to the contributions of all the hon. members. I know the Member for Calgary Curry will serve as a fine chairman.

Thank you, Mr. Speaker.

MR. ANDERSON: Mr. Speaker, in rising to participate in debate on Motion 25 on the Order Paper, I'd like to first thank

the hon. Minister of Federal and Intergovernmental Affairs for the nomination as chairman of the committee. I think all of us who have been nominated to serve on this committee are mindful of the serious and important task before us and of the difficulties that are involved.

When you look back to the historical development of the Senate in Canada and attempts made at change, you find that in 1874, when Senator Mills was in the House of Commons, he attempted to establish a motion that would have allowed the provinces to choose their own senators in whatever method of selection they found most fitting. Since that time, we've had perhaps a hundred official reports of various sorts and a variety of suggestions. So there is indeed a major obligation on the committee to try to find some solution that is practical for Canada at this time in our history.

I think the time is good to move in this direction, Mr. Speaker — extremely timely — for some of the reasons indicated by members in the debate thus far and a few others. There's no question that the federal joint House/Senate committee, which I now understand will be reporting in January, will indeed have some important things to say about this and will again be making Canadians even more aware of the possibilities of change. I believe it is crucial at that point in time that this province have a clear position based on reasoned study, reasoned judgment, and on the opinions of Albertans that we would have canvassed at that point in time.

There's no question as well that we now have for the first time in our history a written amending formula which allows us to understand clearly and without question how we can make changes to the Senate of Canada. We indeed have to achieve agreement of seven of 10 provinces representing 50 per cent of the population, and of our federal House of Commons, in particular.

In addition to that, in historical terms I think we have reached a point in the evolution of our country when it is practical that we now finally define what our form of government will be for years to come. Indeed all forms of government which are successful seem to have evolved, and we still have to look at evolution. But we have now come to a point where we understand what the face of Canada is. No longer are we colonies in the west, as we were rightfully at one time. Indeed we know that in the world today, we're the only system of government that I've been able to find that has two Houses with both Houses controlled on a population basis from the core. So it's an issue we have to look at with some seriousness.

I think Canadians, and Albertans in particular at this time, want us to scrape the cobwebs from Confederation, to bring a new form of government in Canada that will represent the views of Canadians not only by population, as the House of Commons adequately does, but represent the regions in this very vast nation. I see the committee, subject of course to the direction that this debate will give that committee's deliberations, as having a great responsibility in doing that.

Certainly the Minister of Federal and Intergovernmental Affairs will answer adequately, on his own behalf, but in answer to the Member for Edmonton Norwood, subject to that direction, I see the committee looking at all alternatives. The way the motion reads at this point in time is, at upper House forms. So indeed I would see the suggestion that I know has been made by the Official Opposition to the federal House/Senate committee as being one we would consider in addition to other possibilities that may be presented to us.

The members of the Independent group in the Legislature have also made a submission, and I see that too as being one that will be looked at by this committee, along with the dis-

cussion paper of 1982 by the government, and any other particular suggestions that Albertans will make.

I think the responsibility of the committee is clearly, as I understand it — and I welcome any additional debate to clarify that, though the debate thus far I think has helped us considerably in that regard — to discuss the issue with Albertans, because Albertans are those Canadians we have a responsibility to represent in their views on Confederation. But as well, there seems to me no question that we have to discuss the issue of Senate reform with other legislatures and federal officials in the government of Canada, because no change will take place for Albertans unless we reach that consensus which is demanded by the Constitution Act of 1982. Indeed the motion specifically instructs us to investigate other forms of government.

I appreciate the points made by the hon. Member for Clover Bar. There's no question that at this time in our economic situation my constituents as well as his are saying that government must look at the expenses they're incurring on behalf of the people, and cut those where possible. But my constituents also say firmly that we must have a nation that is federal in nature, where the points of view of Albertans are taken into account, not just at this provincial level but at the federal level as well. I will make the commitment tonight that while we will look sparingly at the dollars to be spent, we'll indeed be conscious of costs, perhaps more now than we would have some years ago. As well, we will not do Albertans the disservice of not bringing them a report which represents their thoughts and which represents a practical potential direction in which we can go.

To the Member for Edmonton Norwood. In terms of the time frame for reporting, the way it currently looks to me I think it would take us possibly till the spring of '85 before there would be a report. That depends of course on how quickly we're able to have the meetings we will need to have, gain the viewpoints we need to gain, and develop within the committee the consensus that we'll need to develop. But that time frame would seem to me to be the most logical at this point in time.

Again, I say thank you to the minister and indeed to all members who give consideration to supporting this motion for the nomination. It is a serious responsibility, one that I take seriously and I know other nominated members take seriously. If this motion is passed, we will strive to bring to this Assembly a report which will help us further evolve Confederation as we've been evolving historically and with great precedents in the past few years.

I personally would like to thank all members who've participated thus far, including the Member for Clover Bar who indicated he wouldn't support the motion — his point was well made, but I think there are other points as well — and those who may participate in the future. Thank you.

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

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, I thank the members who have taken part in the debate tonight. I'd like to thank the Official Opposition for supporting the resolution. In answer to the questions posed by the hon. Member for Edmonton Norwood, I want to assure him that all alternatives will be taken into consideration. The motion is broadly worded. I am sure that it will certainly be the intention of the committee to do so.

With regard to the time frame, that has been outlined in general by the chairman who will be appointed if the motion is passed in the next moment or so. I think it would be fair to

say that it will be possible from time to time to get interim reports to the Assembly from the committee as to its work, and I think that that would be useful for the hon. member as well. But the government motion does not include a time frame. I think that to do so would be putting the committee into a straight jacket.

This is one of the important responsibilities of a government. If we were to just sit back and accept what the House of Commons Senate committee might wish to be reported without thoroughly considering this ourselves, we would be doing a disservice to the people of Alberta. I regret that the hon. Member for Clover Bar does not see it that way, merely, as he puts it, because of the money involved.

Certainly we can go and talk to every Albertan and find out that they think the Senate needs reform, but what kind of reform is another matter; that is something that will have to be sought. I am grateful to the proposed chairman of the committee for assuring members of the Assembly that care will be taken to see that dollars are spent wisely in their quest for the report which will come before the Assembly.

I just want to add one item in conclusion. In addition to the consideration which is under way by the federal government, we cannot overlook the same aspect of consideration now under way by the royal commission on the Canadian economy, which is also addressing Canadian institutions. That report, as it comes forward in the spring, will also have to be taken into careful consideration by members of the committee in their deliberations.

Mr. Speaker, I thank the members who participated in the debate. I would ask that the Assembly now approve the motion as amended.

[Motion as amended carried]

27. Moved by Mr. Crawford:  
Be it resolved that the membership of the Select Standing Committee on the Alberta Heritage Savings Trust Fund Act be amended by deleting Mr. Anderson and adding Mr. Zip.

[Motion carried]

28. Moved by Mr. Crawford:  
Be it resolved that:
- (1) a special committee be appointed, consisting of the following members: D.J. Carter, chairman; J.E. Miller, vice-chairman; J. Thompson, A. Hiebert, and G. Notley; for the purpose of inviting applications for the position of Ombudsman and to recommend to the Assembly the applicant it considers most suitable for appointment to that position;
  - (2) members of the committee shall be paid in accordance with section 43(1) of the Legislative Assembly Act;
  - (3) reasonable disbursements by the committee for advertising, staff assistance, equipment and supplies, rent, travel, and other expenditures necessary for the effective conduct of its responsibilities shall be paid, subject to the approval of the chairman;
  - (4) in carrying out its responsibilities, the committee may, with the concurrence of the head of the department, utilize the services of members of the public service employed in that department or of the staff employed by the Assembly;
  - (5) the committee may, without leave of the Assembly, sit during a period when the Assembly is adjourned or prorogued;
  - (6) when its work has been completed, the committee shall

report to the Assembly if it is then sitting. During a period when the Assembly is adjourned or prorogued, the committee may release its report by depositing a copy with the Clerk and forwarding a copy to each member of the Assembly.

MR. CRAWFORD: Mr. Speaker, I might say that because of the amendment made in the preceding motion, the reference to prorogation should be withdrawn from paragraphs (5) and (6) of this motion as well. The hon. Member for Calgary Currie may well have been motivated by now to make such a motion since I have asked him to do so.

Mr. Speaker, I think that this is a motion that all hon. members will readily concur in: the establishment of the special committee for the purpose of receiving applications for the position of Ombudsman. I think, though, that it's appropriate in moving it to say how important I believe it is that a method was set up a number of years ago by which on every five-year period having gone by, the issue of the incumbent in that very important office will be addressed. I have spoken to both Dr. Ivany and the chairman of the Committee on Legislative Offices, and have ascertained that Dr. Ivany will not be one of the applicants for the position next year, having served two full terms and the likelihood of his serving some number of months in addition to what would have been the normal expiration of his term next spring.

I didn't want the moving of the motion to go by without saying that I know all hon. members and all Albertans, very much appreciate the work he's done over the years. He certainly brought a high degree of dedication, energy, intelligence, and integrity to the work. Perhaps the one other thing that might be said with respect to it, is that I know during the remainder of his term, it will be his obvious course of conduct to carry out his work with the same high level of dedication and achievement as in the past.

Mr. Speaker, those are few and perhaps inadequate words to remark upon the service of this distinguished public servant. I did think that perhaps now would be an appropriate time to refer to it, because members of the committee will no doubt be receiving applications from a large number of very distinguished Canadians as was the case for previous search committees. In due course there will be a selection made, and the effective date would be during next summer.

Mr. Speaker, I commend the support of this motion to all hon. members.

MR. ANDERSON: Mr. Speaker, in rising to participate briefly in this motion, let me first say that in my opinion the choice of membership is excellent. I've sat on the Legislative Offices Committee of this Assembly with all of the gentlemen nominated. I would like to say that personally I have a great deal of faith in the chairman, the hon. Member for Calgary Egmont, who will be serving with me on the Senate committee as well, and the other members who've been nominated to it.

I'd also like to echo the hon. Attorney General's point of view with respect to the incumbent in the office of Ombudsman. I recently had a chance to attend a conference in Vancouver with him and a couple of other members of the Assembly, and found it most delightful. I think we in this Assembly have indeed been very well served by the Ombudsman, both the current one and the former one. We have the distinction of being the first province in the country to have an ombudsman, and I believe we'll continue, through this selection committee, to have the distinction of also having excellent ombudsmen.

Mr. Speaker, having made those few remarks, I'm all of a sudden spontaneously moved to amend the motion by striking

out "or prorogued" in paragraphs (5) and (6). I move that amendment at this time.

[Motion on amendment carried]

MR. MARTIN: Just briefly on the main motion. Representing the Official Opposition, I too would like to go on record as congratulating Mr. Ivany on an excellent job. I think all of us on both sides of the House have a great deal of respect, as do all Albertans, for the job that the Ombudsman has done. It is a difficult job at the best of times, but I think we hear compliments for Mr. Ivany right across Canada. If there's such a thing as making it unanimous here, I'd also like to go on record as complimenting Mr. Ivany.

I have just one question to the Attorney General. I know that in No. 88, we have six months until the next Ombudsman is chosen. Does the minister have any idea when the committee might meet or some idea about when they would like to have the new Ombudsman on the job, so to speak? Perhaps the minister could enlighten me on that question.

In conclusion, I will support this motion also, Mr. Speaker.

MR. DEPUTY SPEAKER: Does the hon. Attorney General have leave to close the debate?

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, in answer to the question by the hon. Member for Edmonton Norwood, my understanding is that under the guidance of the chairman chosen by this motion to chair the committee, the committee would start its work really quite soon. It would have to advertise and get certain technical requirements in place in order to begin to receive the names of those who would wish to apply. It would then require a number of meetings in order to interview applicants. So I think the work will probably be initiated before the end of the year.

[Motion as amended carried]

head: **GOVERNMENT BILLS AND ORDERS**  
(Second Reading)

**Bill 104**

**Treasury Branches Amendment Act, 1983**

DR. ELLIOTT: Mr. Speaker, I am happy today to move second reading of Bill 104, Treasury Branches Amendment Act, 1983.

To provide a little bit of history, I can point out that the financial services sector in Alberta, of which treasury branches are a part, operates in a changing environment which requires individual members to amend their administrative procedures from time to time to take into account the local social and economic developments within the province. Unlike some pieces of legislation, the Treasury Branches Act does not automatically provide for review and/or renewal. As a consequence, the treasury branches are required to come to the Legislature, or to the minister, and periodically request revisions to the legislation. This Act is to permit some of these amendments at this time in response to that kind of pressure.

Examples of the kinds of changes that are in the Act to bring it up to date and to make it flexible, include things like definitions with respect to the kind of documentation that can be executed by the superintendent to conduct the normal business of treasury branches. This kind of documentation is usually the

type referred to in the purchase, sale, transfer, or lease of properties, and that type of thing. It also allows for the treasury branches to make joint loans with other financial institutions to treasury branch customers. This is where the treasury branch wishes to take advantage of the security arrangements which are otherwise unavailable to treasury branches, unless they are able to make these joint interlender agreements.

The amendment also provides the authority to establish lines of credit with banks. This is primarily for the purpose of utilizing the clearing house facilities in accordance with the by-laws of the Canadian payments association. This is currently worked through other banks, and if these lines of credit can be established through the banks, then the treasury branches would have direct access to these clearing houses. A follow-up amendment to expedite that change provides for the treasury branch to use the clearing house facilities — minor amendments that are more housekeeping than anything in bringing the Treasury Branches Act in line.

Another amendment provides authority to the superintendent in a very broad manner, which would allow the treasury branches the flexibility to adjust their methods of operation in a rapidly changing environment and be able to do so without having to constantly seek an amendment to their enabling legislation each time there is a change in the economic community. An example of this would be the federal bank legislation, which has an automatic amendment built into it every 10 years. One of the recent amendments in 1980 had an impact on how business is done in the economic community. In 1980 we had 11 banks operating in Alberta; in 1983 we have 72. This reflects how rapidly competition and the general tone of the banking industry can change. Therefore the treasury branches will have to make changes and move readily with these changes.

Another amendment clarifies the minister's and the superintendent's authority to issue guarantees on behalf of treasury branch customers. Again, these letters of guarantee are important for treasury branch customers to have the flexibility that customers working with other banks normally enjoy. Along with those letters of guarantee there has to be a deposit fund. This would allow for payment of moneys out of the fund to back these guarantees as required.

Mr. Speaker, I think these are the major changes. There may be other comments to be made.

[Motion carried; Bill 104 read a second time]

**Bill 106**

**Oil Sands Conservation Act**

MR. ZAOZIRNY: Mr. Speaker, in moving second reading of Bill 106, I think it would be appropriate to make some introductory comments and explanatory notes with respect to the proposed Bill. The proposed Bill is in large measure a consolidation of the legislation relating to oil sands development, which is presently contained in the Oil and Gas Conservation Act.

The purpose of promulgating a separate Act for the conservation of oil sands is that many of the provisions relating to conventional oil and gas which are contained in the Oil and Gas Conservation Act, such as well spacing, production batteries, control of production rates, and measurement, are simply not applicable to oil sands activities. In similar fashion, desirable features for certain oil sands recovery activities, such as surface mining projects, are unrelated to conventional oil and gas conservation work. As well, certain types of oil sands, or crude bitumen recovery operations — these are known as the



*in situ* operations — involve the drilling and operation of a significant number of wells.

In addition, oil sands exploratory evaluation work involves well drilling. Although conducting an *in situ* recovery project would require the approval of the Energy Resources Conservation Board under the new Oil Sands Conservation Act, it is believed that it would be an unnecessary duplication of provisions to include within this new Act all of those many detailed requirements relating to well licensing and other matters which are presently contained in the Oil and Gas Conservation Act. Therefore many of those provisions have not been transferred but are referred to in this Act or are incorporated by reference to the Oil and Gas Conservation Act.

The Bill therefore reflects the removal from the Oil and Gas Conservation Act of those parts which apply only to oil sands activities and their inclusion in this new Bill. In addition, a number of provisions necessary to properly administer oil sands activities have been included in this new Bill. Finally, Mr. Speaker, I should point out that the administration of the new Act would remain the responsibility of the Energy Resources Conservation Board.

With those brief remarks, Mr. Speaker, I move second reading of the Bill.

MR. DEPUTY SPEAKER: The Chair has some difficulty. Is there an amendment to this Bill? I don't have a copy of the Bill in my book here, but I do have a copy of the amendment.

MR. ZAOZIRNY: Yes, Mr. Speaker. An amendment has been circulated. Would you like that dealt with at this time?

MR. DEPUTY SPEAKER: That will appear in committee then. That's fine.

[Motion carried; Bill 106 read a second time]

#### Bill 107

#### Legislative Assembly Amendment Act, 1983

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 107.

In introducing the Bill a number of days ago, I indicated that with legislation of this type, where a complete rewrite was done, it's not surprising that a few matters will arise that require clarification. That is basically what's being done in Bill 107. I'll deal with those in just a moment, but hon. members will be aware that a question has also come up which is not dealt with in Bill 107, in the sense that the Legislative Counsel, the Law Clerk of the Assembly, has raised a question about the way in which the Act deals with members being directly associated. In that respect, I will be proposing an amendment at committee stage to deal with that. That is being drafted at the present time.

[Mr. Speaker in the Chair]

However, on the matters other than editorial matters that are dealt with by Bill 107, it clarifies the eight-year disqualification period which also appears in the Election Act, dealing with situations where there is a disqualification based on corrupt practices. As well, it withdraws the reference to the Speaker in the establishment of travelling expenses for members of the Assembly, it now appearing entirely appropriate that that be dealt with by the Members' Services Committee rather than by the Speaker, on the recommendation of that committee.

Mr. Speaker, there is a certain amount of rearranging of other provisions in the Bill having to do with payment of expenses when the member in question is representing the Assembly or the Speaker, as distinct from representing the government. Those are really for clarification purposes only, and there is no difference in principle from the Act passed this spring.

I urge all hon. members to agree to second reading of this Bill.

[Motion carried; Bill 107 read a second time]

#### Bill 108

#### Summary Convictions Amendment Act, 1983

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 108, the Summary Convictions Amendment Act.

The principle provision in this Bill is to introduce into the Summary Convictions Act the proposal that park wardens, who are wardens pursuant to the National Parks Act of Canada, might be treated as peace officers for the purposes of this legislation. This is probably a matter of mutual convenience with respect to the work of the Mounted Police acting as the provincial police force within the national parks, and the federal wardens, who also have responsibilities there. If certain types of ticket offences, primarily having to do with liquor and highway traffic offences, can be dealt with by the federal park wardens as well as by the police, I think it increases the efficiency of both forces and is a matter that the federal parks people have expressed some interest in seeing done. This Bill would achieve that.

[Motion carried; Bill 108 read a second time]

#### Bill 109

#### Real Property Statutes Amendment Act, 1983 (No. 3)

MR. CRAWFORD: Mr. Speaker, I move Bill 109, the Real Property Statutes Amendment Act, 1983 (No. 3).

The principle of this Bill is the same as Bill No. 63, which is not to be advanced any further on the Order Paper and is being abandoned. I think the principle might be worth briefly stating once more. For all of the several pages of the amendment, it's really aimed at one purpose. The purpose is based on what has traditionally been the law of Alberta with respect to foreclosures under mortgages where the borrower, who is the property owner, is a private individual, as distinct from a corporation. The law has long been that a corporation may be sued in foreclosure, and the creditor may claim both the value of the property, by way of repossessing under the foreclosure, and then the deficiency, if there is one, of his claim against the corporation.

The situation with respect to an individual has always been different. That is, the mortgage company has been limited to recovery of the land and its improvements, and had not the opportunity of trying to recover from the individual any deficit with respect to the loan. Because of some recent interpretations of the Land Titles Act when read together with the real property Act, in certain circumstances some individuals have been made subject to orders for what are known as deficiency judgments, being the shortfall between the value of the property when it's foreclosed and sold, and the amount calculated to be outstanding on the mortgage by way of principal, interest, and costs to date.

This happened, Mr. Speaker, because if the mortgage borrowing was first done by a corporation, typically a small building company, and then an individual purchaser of the property took it over and assumed the obligations of the corporation, by operation of law in the two statutes when read together, the individual would in those circumstances become personally liable for a deficiency. It was thought that that was never the intention in respect of individuals and that they should not be made subject to the possibility of deficiency judgments. On that basis, Bill 63 and now Bill 109 have been introduced to clear that up and make it abundantly evident that an individual subsequent purchaser — even though he may have acquired the property in circumstances where the party he got it from was a corporation who was the original borrower under the mortgage — would nevertheless not be liable. That is the intention of this proposed legislation.

We have found it very difficult to draft in order to achieve that result without achieving other results which probably would have carried the intent of the Bill beyond the original intentions in respect of it. For example, we were approached by members of the bar in Alberta, who often act in property matters and who pointed out that the way the original Bill was drafted may well have allowed persons who were only speculating in land and had done their speculation in a small company to then transfer it to one of the shareholders and avoid payment. Those individuals didn't deserve the protection of the original idea, that being to protect homeowners and owners of farms. I use that as one example to show the rather large loophole that I'm afraid we left in when the Bill was originally drafted as Bill 63. There were enough little wrinkles to it, Mr. Speaker, that the decision was taken to recast it in this form, yet the principle remains the same.

In closing I might just add that since I introduced the Bill only last week, the draftsmen have come forward again and said that I'll have to bring more amendments in at committee stage. But for purposes of second reading, I'm eager to go with this Bill and recommend it to the Assembly.

[ Motion carried; Bill 109 read a second time]

**Bill 112**  
**Provincial Court**  
**Amendment Act, 1983 (No. 2)**

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill 112, the Provincial Court Amendment Act, 1983 (No. 2).

On just a very brief reflection on Bill 109, which has been dealt with, I wonder if hon. members would mind my noting that I'm sure the Assembly is glad that I'm not charging by the hour for the preparation of that legislation.

Coming back as I must to Bill 112, Mr. Speaker, this Bill provides that a justice of the peace has the right to exercise jurisdiction in respect of granting bail. That has become important because as the justice system is distributed throughout the province — provincial judges have this capacity of course, but justices of the peace reside in many smaller communities where there is no resident provincial court judge. Some justices of the peace were of the view that they had this jurisdiction and were exercising it; others were of the view that they did not. Very simply put, this amendment has been proposed in order to make the matter entirely clear so all justices of the peace in the province would feel free to exercise this jurisdiction in appropriate cases.

[Motion carried; Bill 112 read a second time]

[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 please come to order.

**Bill 45**  
**Utilities Statutes Amendment Act, 1983**

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

MR. CRAWFORD: I wonder if I might just note for the record that this Bill, having been on the Order Paper since spring — there was a proposed House amendment distributed on May 3. That has been revised, and a new amendment was distributed on November 1. Only the one of November 1 should be dealt with. By and large, what it does is remove the portions of the Bill that would have allowed the Public Utilities Board to take into account the value of work in progress in setting rates of return.

MR. CHAIRMAN: Are there any questions or comments regarding the November 1 amendment?

[Motion on amendment carried]

[Title and preamble agreed to]

MR. CRAWFORD: Mr. Chairman, I move that Bill No. 45 be reported as amended.

[Motion carried]

**Bill 91**  
**Pacific Western Airlines Act**

MR. CHAIRMAN: There is also an amendment to this Bill.

MR. M. MOORE: Mr. Chairman, there are some government amendments dated November 1 to Bill No. 91. They are for the most part self-explanatory and are the result of additional consideration of the sections of the Bill that deal with a number of matters, mostly involving the right of individuals to hold more than 4 per cent of the shares at any one time. I don't have anything further to add to those amendments, except to possibly answer some questions that might exist on them.

DR. BUCK: Mr. Chairman, I'd like to ask the minister a question or two. I would like to know if this just sets the mechanism in place where we can sell if we wish to, or does the minister really think we will sell PWA?

MR. CHAIRMAN: Is that a question on the amendment?

DR. BUCK: No.

MR. CHAIRMAN: It has to be to the amendment.

DR. BUCK: Okay.

[Motion on amendment carried]

DR. BUCK: Mr. Chairman, to the minister. I want to know if the government is really serious about selling PWA, or if this is just window dressing. I know it was a nice little election ploy before the little contest last November, in order to satisfy all the right-wingers who said we shouldn't be in the air line business. So that fulfilled that little caper before the election. But I'd like to know if the government is serious, or if this legislation before us sets in place the mechanism for us to sell our own air line back to ourselves. I'd like to know if the government is serious or if this is just window dressing.

MR. M. MOORE: Mr. Chairman, a very good question. The facts of the matter are that we're not able to finalize the sale of all or a portion of the government's ownership of Pacific Western Airlines until we do pass the Act. That's what will ensure that control isn't vested in very few hands and that it's broadly based throughout western Canada, and perhaps other parts of Canada as well.

But I can say this to the hon. member. The preliminary prospectus, which was dated October 31, 1983, of which I believe the hon. member has a copy, has now been circulated throughout the country and forms the basis upon which the underwriters we've engaged in this particular sale will undertake to make a recommendation to us with regard to the value of the shares. Shortly after this legislation receives Royal Assent we anticipate that a meeting will take place — hopefully in the early part of December — between the underwriters, myself, representing the government of Alberta, and representatives of the board of directors of Pacific Western Airlines representing that company, in which we will obtain from the underwriters their view of the value of the air line in terms of the value of present shares, and also obtain from them their judgment, if you like, of the market that exists approximately the first of week of December, not only for the issuing of approximately \$50 million of new shares to add equity to the company but also for the sale of some of the government shares.

We are in a position, Mr. Chairman, where the task force which reported last spring advised us that in their view the air line was worth between \$50 million and \$60 million to the government of Alberta at that time. It is our full intention to move with the shares sale if, after having received evidence from the investment community and people who've looked at the prospectus, the underwriters tell us that the air line is worth between \$50 million and \$60 million.

What will happen is that the sale will be completed very quickly. If we do reach an agreement and the sale proceeds, the underwriters who've been engaged have undertaken to buy the entire issue, being the \$50 million of new shares that will be raised for equity in the company, plus some portion of the government's shares, which we expect to be valued between \$50 million and \$60 million. If, for example, we were to raise \$50 million of new equity and judge that the market could absorb another, say, \$15 million of the government's shares, that would leave \$65 million of shares being owned by the public and \$35 million being retained by the government, which would leave us in a 35 per cent position.

That will all be determined in the discussions that will be undertaken by the underwriters and, if an agreement is reached, the underwriters will buy the entire issue. It will then be up to them, over a period of 90 to 120 days — I'm not sure of the exact time frame — to sell that entire issue. If they do not sell it — they are, of course, obligated to take it up and sell it at some price.

It is our full intention to start the process, as was outlined in my remarks on second reading and as was indicated by the task force that reported to us. If the interest is there, as we think it is, in terms of purchasing shares in Pacific Western Airlines. I would expect that before the end of this year the government's share ownership would be down to something under 50 per cent. Then of course, as I indicated on second reading, because of ongoing financing arrangements that were entered into with Canadian Imperial Bank of Commerce we may have some obligation to retain ownership of at least 30 per cent of the shares until different financing arrangements are made, or for at least 18 months.

Again, though, the determination of when the balance of the shares will be sold will be strictly an investment decision with regard to the Provincial Treasurer's view of when would be the best time to realize on that particular security. After we're down to less than a 50 per cent position in the air line, we'll obviously no longer have a controlling interest in it, and we'll be able to dispose of our shares whenever we feel the market is appropriate to absorb them.

MR. MARTIN: Mr. Chairman, I won't bore the minister with the speech I made in second reading. We'll agree to disagree on that. But just to follow up a little in terms of the worth of the air line, I recognize that air lines right across North America right now are in a great deal of difficulty. Certainly our neighbor to the south has one air line after another going out of business. As I understand what the minister's saying, the current realizable market distribution value is between, as he puts it, \$50 million and \$60 million. My question is: was an analysis done, say, a couple of years ago, when times were, let's say, a little better with the economy? Comparing it to the \$50 million or \$60 million now, what was the value of the air line, or do we know?

Following that, when was this analysis of \$50 million to \$60 million? I guess, following from there, it was my point that maybe now is not the time. It's been a good air line; it's been profitable. Even if, in a philosophical sense, the government wants to get rid of it, it may be the worst time. I guess I'm asking a technical question. What happens after we get through this Bill and all the rest of it? Is another analysis done, or are people to buy it at the \$50 million or \$60 million on the market, if that's what they wanted? Is that going to be the bottom line at that time? What I'm asking is, has that rate gone down? Would the air line have been worth \$80 million a couple of years ago? Is \$50 million to \$60 million the bottom line as far as market shares go? Would it be based on that?

MR. M. MOORE: Mr. Chairman, in a task force report, chaired by Mr. Dobson, dated March 25, 1983, the following comments were made:

We concluded that the realizable market distribution value of the shares of PWA owned by the Government is, at this date, [March 25, 1983] in the range of \$50 - \$60 million.

I am not aware of — in fact I do not believe — that the government of Alberta had undertaken any estimate of the value of the air line prior to this report. Since that time, we have not undertaken any estimate of the value of the air line either, but the underwriters who are engaged in this activity are doing that now, probably in a more definitive way than did the task force, in that they are asking the investment community what the real interest is in shares in the range between \$50 million and \$60 million. Our view is that it is still worth in that range, even though there has been some negative impact with respect to air lines, in the United States in particular. But one has to bear in

mind that the situation is substantially different in Canada, in that in this country the regulatory atmosphere that the air lines are operating in has not changed as it did in the United States, where regulatory control was virtually lifted and air lines were free to compete against one another.

In addition to that, Pacific Western Airlines has been able to trim its operating costs in such a way that they have shown a profit over the course of the the last year when other air lines in Canada did not. In fact, we're looking at a situation where any air line that has a black line and has made a profit over the course of the last two years is looked upon by investors as an opportunity for a very good investment, because most air lines in fact have operated in the red. When they find one that's operating with a profit, investors tend to think that the management, the structure of the company, its roots, and all the things that go into making a profit must be fairly adequate. So we're pretty confident that the market value has not slipped from last March.

MR. MARTIN: To follow up on that, I'm glad the minister is recognizing that public enterprise can work with the proper management. They've been making a profit.

Is there a bottom line after this? I understand that the minister is saying that after we pass this Bill through third reading and it becomes law, there will be another analysis done by the investment community. As I understand it, that could again change the value of the air line. Is there a bottom line in terms of what we won't sell the air line for, if we found that all of a sudden the air line is worth a lot less than the \$50 million to \$60 million? Would the government reassess the position as not being a good time to sell at least part of it, and wait? The point I'm asking the minister is, is there a bottom line?

MR. M. MOORE: Mr. Chairman, there's obviously a bottom line, but that has not yet been determined. A bottom line would be a decision that our cabinet would need to make after we get advice from the underwriters. All that I can say is that we're hopeful that that bottom line will not be below \$50 million. If the underwriters come back and say that based on the 30-day review by the investment community of the preliminary prospectus from October 31 till the end of November, the air line is not worth anywhere near what we thought it was, then I think it's fair to say that the government would be in a position of having to rethink whether now is the time to sell. I can assure the House that we are anxious to sell if the air line is in the range of dollars that was talked about in the task force report, namely \$50 million to \$60 million. If it's below that, I have no idea at the present time what the decision of our cabinet might be. But that's where the decision would be taken.

MR. MARTIN: A final question, Mr. Chairman. So there could be a bottom line then. The second thing — I know there was an analysis, as the minister said, but in the minister's opinion, what is the air line worth? I think this is something that the cabinet would have to take into consideration. We'll pull out a nice time when things were going well. Does the minister believe the air line was worth more than \$50 million to \$60 million in 1979? Or is it still, because of the profits that he's pointing out were made during rough times? Would it have been worth approximately the same then, or has it gone up or down? What would the minister's best estimate on that be?

MR. M. MOORE: Mr. Chairman, it would be inappropriate for me to speculate on the value of the air line at some past date, when I have not been privilege to any information relative to a study of the value of it. All I can say is that in all likelihood

it's been a much better investment since 1979 than real estate or some other commodities that went down rapidly. I wouldn't want to speculate as to what its value was because we in fact didn't do any analysis that I'm aware of.

MR. MILLER: Mr. Chairman, to the minister. When the shares are offered, is it the intention to give first position to free-enterprise, dynamic Albertans that believe in the free-enterprise system? Or are they going to be offered to Canadians as a whole?

MR. M. MOORE: Mr. Chairman, the underwriters believe very strongly that western Canadians should be given an opportunity to participate in the growth of Pacific Western Airlines but also believe that in order to have a good aftermarket and a broad basis of ownership, it's necessary to offer shares across Canada. I can say, however, that the heaviest advertising will be in the province of Alberta. Perhaps even within the next week, almost all our weekly newspapers will have advertisements advising people where they can get information with respect to possible share purchases. There will be advertising throughout the region served by Pacific Western Airlines; namely, western Canada, Yukon, and the Northwest Territories. In addition to that, there will be some information provided to investors in Toronto and Montreal.

[Mr. Purdy in the Chair]

DR. BUCK: Mr. Chairman, to the minister. I'm sorry I can't remember all the details in the prospectus, but is there any way we can prevent or welcome say, Air Canada or CP Air, into purchasing? If it were going to be a foreign buyer, I know that they would have to meet the parameters under the Foreign Investment Review Agency. But is there any way that the major air lines can be prevented from or encouraged to buy Pacific Western Airlines? Are there any small details there that could prevent either one of those companies buying Pacific Western Airlines?

MR. M. MOORE: Mr. Chairman, the Bill is structured in such a way as to prevent any person, or persons associated with one another, from purchasing more than 4 per cent of the shares. It also deals with governments in that it is structured in such a way as to prevent any provincial government, with the exception of the government of Alberta, or the federal government from owning more than 4 per cent of their shares. For that purpose, all the agencies of those governments are considered as one.

For example, if the Air Canada pension fund was to invest in 4 per cent of Pacific Western Airlines, that would preclude an investment by some other federal government agency. So there is no restriction on investment by any company in Canada. Canadian Pacific, Air Canada, all could invest up to the 4 per cent level, providing, in the case of a Crown corporation, some other corporation of the same government hadn't already invested. Whether or not those companies would invest, I don't know. Given the limitations in investment, we think that most of the investors would be those who are looking for a place to get a balanced return on something like a pension fund. We probably wouldn't attract direct investments from other air lines, because there obviously would be, in their view, more purpose in investing equity in their own air line than in some competing air line.

MR. MARTIN: Mr. Chairman, just to follow up in terms of the value of the air line. What sort of checks have we on the

\$50 million and \$60 million, and whatever they appraised the new appraisal at. I believe the minister said it was March when the last appraisal was done by underwriters. I wonder what thought has gone into that there could be a sort of vested interest there in undervaluing the air line? Obviously, the better deal they can give to people in the stock market, the easier it is for them to sell, and of course they're making money on that. I wonder if there were any checks on that when it was done in March and if the new analysis will take that into consideration, if they're having a number of different people do it so there isn't any chance at all that it could be undervalued simply to make it a better business deal for them.

MR. M. MOORE: Mr. Chairman, a good question again. The check is simply this: we would hope that whatever is struck for the air line will be one that will maintain a reasonable aftermarket. That simply means that if you strike a value of \$12 a share on December 1, next March or April you still have a value of \$12 a share or close to it. That's considered to be a reasonable aftermarket, and a good judgment of what the air line is actually worth.

Quite frankly, the check is this: in some ways it really doesn't matter that much to the government of Alberta what the first share sale is worth. If we are selling, say, \$15 million of our \$50 million investment in the first go around and we sell it too high and there's a drop in the share value, then our subsequent sale of the balance of \$35 million shares will bring us less than what might otherwise have been the case. Conversely, if we sell low the first time around and there's a good aftermarket, the share value increases and we'll get more for the remaining shares. So what is important, as far as the investment of the government of Alberta, is what the aftermarket brings. In getting our dollars back out of the air line, the aftermarket is more important, because the larger percentage — perhaps two-thirds or more of the value that we have in the air line — will be sold in the second stage. And so it's important that we strike a right figure this time around.

I'm confident that the advice with respect to the share market which we're getting continuously from our own Treasury Department, plus the advice we get from the underwriters, will strike that right balance. We'll never know for sure until we see the aftermarket, but we are protected because we still have some shares to sell. If we sell too low and the aftermarket is higher, then we have an opportunity to sell our remaining shares at a higher value. Conversely, if we sell too high and the aftermarket is low, we'll sell our remaining shares at a lower value, if we choose to sell them at an early date.

[Title and preamble agreed to]

MR. M. MOORE: Mr. Chairman, I move Bill No. 91 as amended.

[Motion carried]

**Bill 88**  
**Ombudsman Amendment Act, 1983**

MR. DEPUTY CHAIRMAN: Are there any questions or comments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. PAYNE: Mr. Chairman, I move that Bill 88, the Ombudsman Amendment Act, 1983, be reported.

[Motion carried]

**Bill 92**  
**Environment Statutes Amendment Act, 1983**

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MR. BRADLEY: Mr. Chairman, I move that Bill 92, the Environment Statutes Amendment Act, 1983, be reported.

[Motion carried]

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

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Bill?

[Title and preamble agreed to]

MR. KOZIAK: Mr. Chairman, on behalf of the Member for Vegreville, I move that Bill 95 be reported.

[Motion carried]

**Bill 99**  
**Property Tax Reduction**  
**Amendment Act, 1983**

MR. DEPUTY CHAIRMAN: Are there any questions, comments, or amendments to be offered with respect to any section of this Act?

[Title and preamble agreed to]

MR. KOZIAK: Mr. Chairman, I move that Bill No. 99, the Property Tax Reduction Amendment Act, 1983, be reported.

[Motion carried]

**Bill 102**  
**Planning Amendment Act, 1983 (No. 2)**

MR. DEPUTY CHAIRMAN: There's an amendment to the Act. Are there any questions or comments to be offered with respect to the amendment?

[Motion on amendment carried]

MR. MARTIN: Mr. Chairman, just some clarification. I understand — I don't know a great deal about it — that the city of Calgary has some questions. There was a letter sent to the minister, at least I picked that up, and as I understand it — the minister can correct me — it had something to do with some worry about an LRT right of way; that this wasn't included in the Bill. I guess I'd ask the minister if that is in fact the case and what his reaction is to the city of Calgary in terms of their representation.

MR. KOZIAK: Mr. Chairman, the mayor and the council of the city of Calgary did in fact communicate a concern to me

with respect to provisions contained in Bill 102, primarily with respect to the matter of the utilities, including LRT and, secondarily, with respect to the matter of environmental reserves. I have had the opportunity to discuss his concerns over the telephone with His Worship the Mayor, and while I believe that I have alleviated them somewhat, there are outstanding areas where we agree to disagree.

The main issue with respect to the matter of LRT would be found in the way in which public utility is defined in the Bill. Currently, the Planning Act relies on a definition for public utility which is found in the Municipal Government Act. That definition is much wider than the definition that's proposed in Bill 102. Specifically as a concern of the city of Calgary, what has been excluded is the reference to bus lines or other transportation system.

During my remarks in second reading of Bill 102, I made mention of the fact that the provisions for dedication found in the Planning Act — number one, the 10 per cent for parks and schools; and, number two, for roads, utilities, and that sort of thing — are there in order to permit the adequate servicing of the subdivision. We all know that if you divide, let's say, 160 acres into lots, you are going to need roads to get to those lots. You are going to need to provide for the utility easements in order to provide water and sewer, and that sort of thing, to service the lots. It is understood that a certain amount of land would have to be dedicated in order to provide for those services. It was never intended by the Planning Act that dedication for transportation would exceed that which was necessary to properly service the subdivision, that transportation requirements, over and above those, would be purchased or acquired by the city in the normal fashion, whether that be for freeways, arterial roads, light rail transit, bus barns, or what have you. Expressions had been made that there was some indication that that concept would be applied in the future, and we responded to that in terms of the amendment.

If hon. members pursue this further, one could see by looking at the definition of public utility in the Municipality Government Act that there is also provision for the — a public utility means an electric generating plant, for example, a power system. Nobody would suggest that because a municipality wants to put a generating plant here, the person who wants to subdivide that particular land should have to dedicate land for a generating plant. Yet that is the definition found in the Municipal Government Act. In the amendment to Bill 102, we are saying: now just a minute; the definition for public utility has been misinterpreted in terms of how it applies to the dedication process required under the Act.

There is no doubt that this may require the city of Calgary to acquire, by purchase or otherwise, lands for LRT right of way or LRT stations. But there are other opportunities for the city of Calgary to handle that. To make an LRT system effective and profitable, there is no doubt that you have to have population living at the stations and that population has to want to go to other stations along the line. The best way to make an LRT system viable is to provide for high density around LRT development and LRT stations. I am sure that there are opportunities for the city, when they allocate densities, to provide for a trade-off with developers, and that opportunity would still exist. The mayor recognized that during the course of our discussion in the telephone conversation I alluded to earlier.

The other aspect is the amendment that is found in section 5 of the Bill, in which section 98(c) is repealed. Some concern was raised by the mayor with respect to our repeal of clause (c) in section 98. I am particularly concerned about this whole concept of environmental reserve, because what it requires is a dedication of environmental reserve over and above the 30

per cent and the 10 per cent that I described earlier. That environmental reserve is as defined in section 98, and that is dedication without payment. Presumably one must assume that that dedication is for the greater public good. One must question why, in this particular instance, a dedication for the greater public good is not accompanied by payment. That is an open question that I want to review over the next number of months as I discuss these areas with people involved in the planning legislation and as I review the extent of dedication required by planning legislation in other provinces and perhaps in the States.

Coupled with this is the question of disposition of environmental reserve. There is no provision in the Act for disposition. There has been some request of me to provide for disposition of environmental reserve, once acquired, under this Act. At the moment, I cannot recommend amendments to the Act which would provide for disposition of environmental reserve, unless we have first settled the issue of how it is acquired in the first place, by payment or otherwise.

In any event, clause (c), which I referred to and which has been raised with me, is a clause that is open to misinterpretation that results in unnecessary appeals which ultimately overturn the original decision, create delay, create unnecessary legal work, and create unnecessary expenditures. It says: "land that, in the opinion — note subjective — of the subdivision approving authority, is unsuitable in its natural state". It couldn't be a swamp, gully, ravine, coulee, or natural drainage course; it couldn't be land that is subject to flooding; it couldn't be land that is unstable. All of those are contained in (a) and (b). This is something other than those. In some cases I have been told that subdivision approving authorities have included in (c) land that has a grade in excess of three degrees, which is questionable at best. So that clause is coming out. That doesn't mean that if there is land that the city of Calgary would like for parks, they can't identify it and say it's within the 10 per cent. Or if they wish to acquire additional land, they can do so by purchase. But it doesn't mean that they can acquire land without compensation.

As I have said publicly, Mr. Chairman, this is the Planning Act; it's not the expropriation without compensation Act. We have to treat planning legislation as such and not bring in concepts that are foreign to planning to accommodate the wishes of certain people.

MR. MARTIN: Just a follow-up question so I understand. In your discussion with the mayor of Calgary, you said that in discussing the Bill you allayed a number of his fears, but you agreed to disagree. Was it with regard to 98(c), or was it more to deal with the other part of it, the LRT? Or was it both? Are they going proceed? You said that you were going to be looking into this more. Is that how they were allayed, that they might have some feed in, in a future process? In other words, I am asking a little more specifically what they disagreed with in the final analysis.

MR. KOZIAK: Mr. Chairman, the way in which I would respond to that question would be that the mayor appreciated the comments that I made. At the same time, he continued to recognize that unless — for example on the LRT — trade-offs with developers on density resulted in the acquisition of LRT lands, the city might be put to some expense in the acquisition of LRT lands.

At the same time, he recognized my concern that to only subject the owner of those lands which LRT in fact traverses to a dedication requirement is not fair to that owner *qua* the owner of another adjoining piece of land which also benefits from that public transportation system, as does the remaining

part of the city which was subdivided long ago. It just doesn't make it fair, and he recognized that fact as well.

[Title and preamble agreed to]

MR. KOZIAK: Mr. Chairman, I move that Bill 102, the Planning Amendment Act, 1983 (No. 2), be reported as amended.

[Motion carried]

**Bill 103**  
**Libraries Act**

MR. DEPUTY CHAIRMAN: Are there any questions or comments to be offered with respect to the amendment to this Bill?

[Motion on amendment carried]

MR. DEPUTY CHAIRMAN: Are there any questions or comments to be offered with respect to any section of the Bill as amended?

MRS. LeMESSURIER: Mr. Chairman, the Member for Lethbridge West had a concern about the non-charge of items from libraries, i.e. tapes and recordings. Apparently, in the province of Alberta there are between four and six libraries that charge for the use of records and tapes from libraries. I would just like to assure the member — I'm sorry he's not in the House tonight — that this Bill will not come into effect until April 1, and it will allow the libraries the opportunity to review this section of the Act.

I think that is the only response to the Act that I've had so far. I'd also like to assure the House that this phase was asked for by the Alberta Library Board and that it has had input from the trustees and the library community over the last two years.

[Title and preamble agreed to]

MRS. LeMESSURIER: Mr. Chairman, I move that Bill 103 be reported as amended.

[Motion carried]

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

[Motion carried]

[Mr. Speaker in the Chair]

MR. PURDY: Mr. Speaker, the Committee of the Whole has had under consideration and reports Bills 88, 92, 95, and 99, and reports Bills 45, 91, 102, and 103 with some amendments.

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

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**  
**(Third Reading)**

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

No.	Title	Moved by
72	County Amendment Act, 1983	Reid (for Stiles)
73	Department of Tourism and Small Business Amendment Act, 1983	Koziak (for Adair)
74	Drayton Valley Townsite Repeal Act	Cripps
75	Government House Amendment Act, 1983	Paproski
76	Agricultural Pests Amendment Act, 1983	Cripps
77	Farm Home Improvements Repeal Act	Embury (for Drobot)
78	Names of Homes Repeal Act	R. Moore
79	Marriage Amendment Act, 1983	Carter (for McPherson)
80	Alberta Heritage Savings Trust Fund Special Appropriation Act, 1984-85	Crawford (for Hyndman)
82	Provincial General Hospitals Amendment Act, 1983	Paproski
84	Vencap Equities Alberta Act	Young (for Planche)
86	Manpower Development Amendment Act, 1983	Jonson
87	Public Inquiries Amendment Act, 1983	Crawford
90	Health Occupations Amendment Act, 1983 (No. 2)	Crawford (for King)
93	Police Officers Collective Bargaining Act	Young
94	Election Amendment Act, 1983	Payne
96	Mobile Home Sites Tenancies Amendment Act, 1983	Embury
97	Landlord and Tenant Amendment Act, 1983	Embury

MR. CRAWFORD: Mr. Speaker, the hour tomorrow afternoon has been designated for government business, and it's proposed that Bill No. 98 be dealt with at that time. In the evening, Bill No. 110 will be called. If there is any likelihood of a change in either of those, I would try to notify the hon. Leader of the Opposition as far ahead as possible, but that's the present intention.

[At 10:12 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]

