

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Monday, April 30, 1984 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SCHMID: *Bism'Allah Al Rahman Al Raheim.* [as submitted]

Mr. Speaker, I am very proud today to be able to introduce to you and to hon. members of this Assembly some of the most outstanding businessmen from Abu Dhabi, who have come to our province as a result of our mission there last January. They arrived in Edmonton directly from the United Emirates, after 26 hours of travel time. They are meeting with representatives of the Edmonton and Calgary chambers of commerce, as well as other private-sector members.

Mr. Speaker, to inform my hon. colleagues by example of the many varieties of interest represented, I ask your permission to introduce them individually, after which I would appreciate their warm welcome by my colleagues. All of these gentlemen are also involved in numerous other enterprises and manufacturing activities. The leader of the mission, His Excellency Al Haj Abdulla Al Mohairbi, Abu Dhabi Chamber of Commerce, is interested in investments, general trading, and various equipment and material; Mr. Rashid Abdulla Al Mazroey, oil field equipment and services, and chemicals; Mr. Saeed Ahmed Omran Al Mazroey, investments, contracting, and commercial representation; Mr. Gurer Mohamed Al Qubaisy, food imports, light and heavy equipment, agricultural equipment, and fertilizers; Mr. Yusif Abdulla Hussain Khoori, food imports, electrical equipment, air conditioning, and engineering; Mr. Saleh Rashid Al Dhaheri, secretary to the mission and director general of the Abu Dhabi Chamber of Commerce and Industry; Mr. Rahma Masaood Al Mohairbi, earth-moving equipment, chemicals, and oil field equipment and services; Mr. Musallam Maktoum Al Mazroey, oil field equipment and services, consumer care products, and agricultural products; Mr. Husein Jasim Al Nowais, engineering, oil and gas services, telecommunications, and investments; Mr. Abdulla Abbas Khoori, food importer, supermarket supplier, and general merchant; Mr. Abdul Reza Abdulla, from the ministry of foreign affairs; Mr. Paul Habib, president of the Canada-Arab business council, residing in Toronto; Mr. Hamdi Hasan, journalist and photographer. These gentlemen are accompanied by our hardworking international trade director for the Arab countries, Mr. Jean Dessert.

Mr. Speaker, I ask the Assembly to welcome our distinguished visitors.

head: INTRODUCTION OF BILLS

Bill Pr. 12

Alberta Association of Municipal Districts
and Counties Amendment Act, 1984

MR. MUSGROVE: Mr. Speaker, I request leave to introduce Bill Pr. 12, the Alberta Association of Municipal Districts and Counties Amendment Act, 1984.

The purpose of this Bill is to amend certain details of the association's Act of incorporation, including the definition of association members, the terms of directors, and the appointment of a secretary-manager.

[Leave granted; Bill Pr. 12 read a first time]

Bill 236

An Act to Amend the Cemeteries Act

MR. JONSON: Mr. Speaker, I request leave to reintroduce Bill 236, An Act to Amend the Cemeteries Act.

This Bill would allow burial, in fields of honour, of persons who served in the Canadian merchant navy in Canadian theatres of war.

[Leave granted; Bill 236 read a first time]

Bill 247

Family Month Act

DR. BUCK: Mr. Speaker, I beg leave to introduce Bill 247, the Family Month Act.

This Bill recognizes the family as the basic unit of our society and would designate the month of May as family month.

[Leave granted; Bill 247 read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. LOUGHEED: Mr. Speaker, I have the honour and pleasure today to introduce to you a group of 36 grade 8 students from Calgary Christian school in the constituency of Calgary West. Accompanied by their teachers Hank Beeksmas and Anita Veeneman, they are seated in the members gallery. Would they please rise and receive the welcome of the Assembly.

MR. MARTIN: Mr. Speaker, I'd like to introduce to you and to members of the Assembly some 21 keen young grade 6 students from St. Basil school in the glorious constituency of Edmonton Norwood. They are accompanied by teachers Jerry Tymkow and Don Wacowich, and they are seated in the members gallery. I ask them to stand and receive the warm welcome of this Assembly.

MRS. LeMESSURIER: Mr. Speaker, I would like to introduce to you, and through you to members of this Assembly, 16 students who are studying English as a Second Language in the continuing education class at the Alberta Vocational Centre. They are accompanied by Mr. Scragg. I ask that they please rise and receive the very warm welcome of this Assembly.

MR. DIACHUK: Mr. Speaker, I wish to take this opportunity to introduce two guests seated in your gallery. They are visiting this Legislature from Vancouver, British Columbia. They have a particular personal interest because they are the aunt and uncle of our page, Miss Rae Jordan. Seated in your gallery are Tom and Kay Johnston. I would ask them to rise and receive the welcome of this Assembly.

MR. SCHMID: Mr. Speaker, may I take the time of the Assembly to apologize to Mr. Joseph Sauona for not including him in the delegation from Abu Dhabi. He is responsible for transport and also has a travel agency in Abu Dhabi. Welcome, Mr. Sauona.

head: **ORAL QUESTION PERIOD**

Mount Allan Olympic Ski Site

MR. NOTLEY: Mr. Speaker, I would like to direct the first question to the hon. Minister of Tourism and Small Business. It's with respect to reports attributed to the chairman of the Olympic Organizing Committee, that the province will be assuming the cost of the Olympic ski facility at Mount Allan. Could the minister advise the Assembly what the government objective is with respect to jet-set socialism in Alberta?

MR. ADAIR: Mr. Speaker, just to bring the hon. member up to date as to where we are, in response to the question — and I'm not sure whether that was a question or a statement he was making — we're still in negotiations with the private sector, and those negotiations continue at this date. As I have said many, many times, if those negotiations should not culminate in a successful private-sector developer, the government of Alberta would develop the Mount Allan site — a commitment we gave the Olympic committee some two and a half years ago — so that we would have the facilities in place on time for the 1988 Winter Olympics.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the minister advise the Assembly whether or not the government has commissioned a cost/benefit study on the ski facility?

MR. ADAIR: The recreation ski hill facility is in the process of seeing a master plan completed for that particular site. That plan will be made public sometime in May, as I said earlier, and will see construction of a recreational day-use ski facility that will have included in that particular package the siting of the six Olympic events that will take place on the Mount Allan site. The legacy of all that will be a site that can be used by recreational skiers after the Olympics, a site that will be satisfactory to all the Olympic people for the Olympics of 1988 and, in the best interests of everybody, will be combined in total costs.

MR. NOTLEY: Mr. Speaker, a supplementary question. I'm not asking about the plan the minister has already alluded to in previous question periods. My question is whether there has been a specific economic cost/benefit study commissioned by the government of Alberta.

MR. ADAIR: Mr. Speaker, as I said at the start of my discussion, we're still negotiating with the private sector. If those negotiations are successful, the private sector will be building that particular facility. Should they not, we will be looking at other alternatives.

MR. NOTLEY: A supplementary question to the minister. Since, according to Mr. King, one of those other alternatives is the government building it, could the minister tell the House whether or not any cost/benefit study on the economics of this project has been commissioned by the government at this stage?

MR. ADAIR: Mr. Speaker, in response to that particular aspect of it, we have been looking at what those costs might be. As well, the master plan is identifying some of the costs relative to the site itself. Obviously those will be taken into consideration should the decision be made, at some stage or other down the road, to develop the hill itself.

MR. NOTLEY: A supplementary question. At this stage, could the hon. minister give the House an estimate as to the cost of such a project?

MR. ADAIR: I can't do that at this stage, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the hon. minister then give the Assembly some indication as to when the government will be in a position to report whether the private sector will proceed or whether the government will be forced to apparently follow the prediction of the chairman of the Olympic Organizing Committee? What is the time frame at this stage?

MR. ADAIR: The time frame is sometime in the month of May.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the minister then indicate what are the obstacles to reaching an agreement with private-sector investors at this point in time?

MR. ADAIR: Mr. Speaker, as I was telling some of the members of the press this morning, a number of things have occurred from the private-sector point of view: one, the interest rates of some years ago; two, the fact that the site itself is considered by a number of the lending institutions to be "isolated" — I assume that to be away from the cities of Edmonton and Calgary; and three, the general economy itself has caused the private-sector developer to do some more searching for additional funds.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is one of those obstacles the conclusion among private-sector potential investors that such a facility would never make any money?

MR. ADAIR: No, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a supplementary question. Could the minister advise the Assembly what discussions have taken place with potential private-sector developers with respect to the lack of snowfall on Mount Allan? I have the most recent report from Environment Canada, and it's quite remarkable. I won't go into it, because I'm sure the minister knows. But I specifically ask the hon. minister what discussions have taken place between the government or the Olympic Organizing Committee and private-sector developers pertaining to this rather lamentable record of virtually no snow falling on Mount Allan. [interjections]

MR. ADAIR: Mr. Speaker, I don't know how many times I have to say it. I hope I have the chance to take the hon. member down there one of these days, to show him the snow amongst the 60-foot high trees. I say that seriously, because it's there.

I should point out that in the discussions with the Olympic committee, the private sector, the technical committee, and all those involved, one of the areas was to ensure that we had machine-made snow equipment placed there, so we could get the guaranteed consistency of start-up time. It will be there to complement the natural snowfall that, other than the last two years, has been reasonably good.

Metis Jurisdiction

MR. NOTLEY: I'd like to direct the second question to the hon. Premier, if I may, Mr. Speaker. It's with respect to reports emanating from the recent meeting between the Premier and several ministers of the Crown and the Metis Association of Alberta. Is the Premier in a position to clarify reports that the government has refused to improve Metis services until the Metis Association of Alberta decides to choose either federal or provincial jurisdiction for Metis affairs?

MR. LOUGHEED: Yes, Mr. Speaker, I'd be pleased to clarify the position at the meeting on Saturday. We asked the Metis Association of Alberta to clarify the position they took during the recent meeting of first ministers on aboriginal rights, in which the Metis National Council, which involves the Metis Association of Alberta, to our surprise, as I mentioned in the House recently, took the position that they wished to see the federal government have the prime responsibility for programming for the Metis people. This position was also supported by the government of Saskatchewan.

We had no advance notice of that position. We held, as we had in the past, that the primary responsibility for the Indian people of the province rests with the federal government and the primary responsibility for the Metis people rests here in the Alberta Legislature with the provincial government.

In the meeting on Saturday, we expressed our concern at this position to the executive of the Metis Association. We stated that we had made considerable progress on a number of programs for the Metis people in the province, but that we felt there was scope for improvement in those programs and we wanted to work closely with the Metis Association leadership on the matter of the improvement of those programs. But we said we felt it would be difficult for this Legislature to continue to authorize funds for programs when the expressed view of the leadership involved was of the nature that they wished responsibility transferred from the provinces to the federal government.

However, we said that for the balance of the calendar year 1984, we would continue both with the programs as they presently exist and with improvements or expansion or other developments with those programs, but that we would need to know and would need to have clarification of the position of the Metis Association of Alberta and the Metis communities as to whether or not they wished program transfer from the provincial to the federal government, before the meeting that I believe will be scheduled in March 1985.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier. What is the position of the government of Alberta now? Since the government is apparently asking the Metis people of this province to make a declaration of their jurisdictional question, what is the government's position on the jurisdictional question? Is it emphatically that Metis people come under provincial jurisdiction? Is there still some consideration of the possibility of transferring jurisdiction? What is the position of the government of Alberta on this matter?

MR. LOUGHEED: Mr. Speaker, I think it would be our view that if we were satisfied that the Metis Association of Alberta had the full and complete support of the various communities and of the Metis people that they wish to see a transfer of the responsibility to the federal government, we would be open to that.

But as I expressed in the House earlier, that would raise some very important questions for the Metis people of the province. First of all, it would raise the important question of the definition of who comes within the ambit of the term "Metis", and the enumeration question there would have some considerable significance. It would relate as well to the view that might be considered by the government of Saskatchewan or Manitoba or other provincial governments on the definition of the word "Metis". It would then involve the difficult question of the issue of land claims within that definition and within any disputes arising from that definition. Then the issue of what happens in a community; for example, a community in which Metis people live and they are enumerated as coming within

that definition, or in which Metis people live and do not come within the definition, and people who are not native and Indian people who reside in the same community — the complications with regard to those communities.

Our basic interest and concern is improvement in the quality of life of the people in this province who are Metis. We hope to expand upon our programming, which we feel is ahead of the country, recognizing that there are improvements. But the jurisdictional issue was not raised by us, and we have to come to a resolution.

I'd have to repeat my answer at the outset to the question by the Leader of the Opposition: if the Metis people come to us with evidence that their position of a shift of responsibility for all these programs to the federal government is what the Metis people themselves want, then we would have to give serious consideration to that transfer of responsibility.

MR. NOTLEY: Mr. Speaker, a supplementary question to the Premier, with respect to the definition formula. Has the government of Alberta worked out any position with respect to what might be considered an acceptable definition formula? For example, what is the position of the government of Alberta with respect to the Metis National Council proposal that a Metis is a person who declares himself to be a Metis, is accepted by the Metis community and, if required, can provide satisfactory historical and legal proof? Would that be a position the government of Alberta could support in trying to achieve a definition formula?

MR. LOUGHEED: Mr. Speaker, the difficulty with that definition is that there is a wide divergence of views with regard to that definition, both within Alberta and throughout the country. Because it would be a matter that would involve a national decision, not just an Alberta decision, there would have to be a clear understanding by all the parties involved — and they are numerous — as to what would in fact be a Metis within that definition. One would have to recognize that if the definition is broad, the reaction of others who are not a part of what might be involved in the transfer of such responsibilities would have to be fairly considered. If the definition ended up to be narrow, one would have to consider the problems involved in those people who do not fit within the definition.

MR. NOTLEY: Mr. Speaker, a supplementary question. Given the Premier's answer with respect to a national definition, what is the position of the government of Alberta with respect to future tripartite conferences and a timetable?

MR. LOUGHEED: Mr. Speaker, that would not rest with the government of Alberta. We did not initiate this issue; it was initiated by the Metis National Council. For our part we are proceeding, as I mentioned in the earlier answer, with a view to programming. Arising from the meeting on Saturday morning at Government House, ministerial meetings have been organized by the Minister responsible for Native Affairs on issues involving the ministers of Education, Advanced Education, Housing, and Social Services and Community Health, and the Associate Minister responsible for Public Lands and Wildlife.

MR. NOTLEY: Mr. Speaker, a supplementary question. The Premier indicated that programs would be continued and, where improvements are possible, improvements will be made this year. What was the specific position of the government of Alberta with respect to the Metis position on future years? Is

a continuation of improvement dependent upon clarification of jurisdiction?

I raise that question not to be argumentative, but it would appear to me that there are so many difficulties between federal and provincial jurisdiction at the moment that if we expect a declaration from the Metis people before improvement of programs can proceed, they'll be waiting a long time. My question is: in the future is the government of Alberta still prepared to not only honour existing programs but improve those programs, notwithstanding a final disposition of the jurisdictional question?

MR. LOUGHEED: Mr. Speaker, I doubt that we would. If the expression of view by the Metis Association of Alberta was clear and unequivocal that they wished these programs transferred to the federal government, it would certainly be our view that we would continue with improvements to a certain point. But if it is clear and unequivocal that they wish a transfer of responsibilities, obviously it would not make sense to continue to adjust programs when those programs are going to be transferred to another jurisdiction.

MR. NOTLEY: Mr. Speaker . . .

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

MR. NOTLEY: Perhaps I could put the supplementary to either the Premier or the Minister responsible for Native Affairs. The Premier indicated a clear and unequivocal position from the Metis people. To either the Premier or the minister: what evidence would the government of Alberta consider necessary to be assured of what would be considered a clear and unequivocal position on the part of the Metis people? Is it the position of the Assembly of the Metis Association of Alberta? Would it be a referendum of people of Metis descent? At this stage, what would be the position of the government as to the ground rules for determining the views of Alberta's Metis citizens?

MR. LOUGHEED: Mr. Speaker, I don't believe it would be appropriate at this time for the government to reach any definition. We believe that is a matter that the Metis Association of Alberta could consider, and they could present to us their thoughts as to how they would go about seeking that understanding. But at the minimum, it would have to be a feeling by us in government that the various communities throughout the province that are very closely tied to Metis programming would have expressed an affirmative view that the transfer of these responsibilities should occur, and the shift should occur from the province to the federal government.

Sulphur Industry

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Energy and Natural Resources relates to a report made to the minister's department by the Canadian Institute of Resources Law at the University of Calgary. It's entitled Alberta Sulphur: Legal and Regulatory Issues. I am wondering if the minister could indicate at what state the recommendations are at the present time, as to whether some of the recommendations have been accepted and are being acted upon.

MR. ZAOZIRNY: At this point in time, Mr. Speaker, I don't have the benefit of the specific report in my hands. I can advise the Assembly that over a period of months there have been discussions with respect to the state of the sulphur industry in

this province. I should mention that I expect to be meeting in the very near future with the Canadian Petroleum Association, who have themselves come forward with a report. I want to have an opportunity to have input from that association in particular and from other participants in the sulphur industry, in assessing the appropriateness of any adjustments to our existing policy arrangements.

What I could perhaps do is undertake to report to the hon. member with respect to the specifics of that particular report, which I couldn't comment on further at this time.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the hon. minister, with regard to the jurisdiction. One of the areas raised in the report was with regard to the jurisdiction of the ERCB and the Alberta Department of the Environment over the responsibility for clean-up of sulphur storage facilities. I am wondering if the minister has dealt with that matter. Is that matter still of top concern?

MR. ZAOZIRNY: Mr. Speaker, that matter has not been addressed specifically by me. But in terms of any consideration within the department itself, I undertake to report back to the member.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the hon. minister, with regard to the royalty structure on sulphur. In the report, the concern is that the present royalty structure does not collect all the potential royalty out of the sales of sulphur. I'm sure the minister understands the reasons. I am wondering if the minister is considering changes with regard to the royalty structure on sulphur.

MR. ZAOZIRNY: There is no intention on our part to make any adjustments at this point in time.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister, with regard to marketing sulphur. The report makes the recommendation that all sulphur be sold through a government agency. I am wondering if the minister could indicate whether the government has reviewed that recommendation and has made any decision at this time.

MR. ZAOZIRNY: Mr. Speaker, that idea has been around for a good length of time. It has come forward in that particular report. Obviously it would be a very serious matter for the government to intervene in the marketplace in that fashion. I think that, overall, the sulphur industry in this province has done an effective job of marketing sulphur throughout the world, and it would be a very serious matter for this government to look at altering those market arrangements and interfering with the private-sector arrangements that are in place.

Extra Billing by Doctors

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Hospitals and Medical Care. Can the minister indicate what assessment he has made of the Consumers' Association of Canada report, which stated that extra billing in Alberta was the highest per capita in Canada? I would point out that they say it's almost double the national average.

MR. RUSSELL: Mr. Speaker, I haven't assessed that report. I haven't seen it yet.

MR. MARTIN: I'm rather surprised. To the minister, it was out on February 16.

But to go on, according to the Consumers' Association study . . .

MR. SPEAKER: Order please. Let's be a little circumspect about how far we're going to go into the detail of a report. If the hon. member has a direct question on which he wants to get information for himself, that's fine. But to read to the minister a report that he doesn't happen to have read is really not a proper function of the question period.

MR. MARTIN: I'd certainly like the minister to do his job once in a while.

MR. SPEAKER: Order please.

MR. MARTIN: To the minister: in the evidence that some 10 percent of low-income people are being extra billed . . .

MR. SPEAKER: Order please. If the hon. member wishes to seek information instead of giving it, would he kindly get to the point.

As to the competence of the minister, if he wishes to debate that topic, would he put it on the Order Paper.

MR. MARTIN: I'd be glad to, Mr. Speaker.

My question is, has the minister done any special review of the impact of extra billing on lower income earners?

MR. RUSSELL: Yes, we've been working on that for several months, Mr. Speaker, together with the College of Physicians and Surgeons. We're making an effort to eradicate the practice of extra billing in the categories of people with subsidized health care premiums, people on social assistance, and senior citizen groups. I can report that since those efforts started, we've cut the incidence of extra billing among those groups approximately in half.

MR. MARTIN: That's debatable, Mr. Speaker.

My question deals with the appeal process for those individuals extra billed. What review has the minister made of this procedure? Specifically, is there a report indicating the number of appeals and the number of applicants successful in their appeals?

MR. RUSSELL: Yes, Mr. Speaker, I get that statistical report from time to time from the College of Physicians and Surgeons. As a matter of fact, the numbers are surprisingly small and are decreasing annually. If I recall correctly, last year the cost of running the committee was more than the amount of funds returned by way of successful appeals. Just going by memory, for the first 11 and a half months of the last calendar year, just under 100 appeals were launched. About half of those had the doctor's extra billing withdrawn when the doctor learned that the patient had appealed the assessment. Of the remainder, the majority were settled in favour of the appellant. I'd be glad to table that information, Mr. Speaker, when I have it for the complete year.

MR. MARTIN: A supplementary question, Mr. Speaker. The estimate of the cost of extra billing seems to vary significantly between the provincial and federal governments. My question to the minister is, who exactly will determine the amount Alberta will pay in penalties as a result of this government's policy to enforce extra billing?

MR. RUSSELL: That's the ludicrous part of the new federal Bill, Mr. Speaker, in that the Bill gives the federal minister

the authority to decide what the final figure is. It does require the provinces to report on those instances, though. I have no reason to believe that the federal minister would not accept our statistics or our data, because they're probably the most complete and accurate of any of the provinces.

MR. MARTIN: A supplementary question. I know the minister is aware that there are differences, though. My question is, has the minister had his officials check with the appropriate federal officials to find out why there are these discrepancies? I point out that the Alberta taxpayers will be paying for this if there is a discrepancy.

MR. RUSSELL: Mr. Speaker, I'm not quite sure what discrepancies the hon. member is referring to. There were some discrepancies with respect to the number of persons or the percentage of the population covered by the Alberta health care insurance plan, but I'm not aware of any difference in data with respect to extra billing statistics. The federal government gets all its statistics from us.

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

MR. MARTIN: I'm told by the federal officials that there is some \$3 million difference. My supplementary question to the minister is, will he check on this and report back to the House?

MR. RUSSELL: Mr. Speaker, the hon. Member for Edmonton Norwood shouldn't listen to those people.

Holy Cross Hospital

MR. LEE: Mr. Speaker, my question too is for the Minister of Hospitals and Medical Care. It's with respect to the circulation of a petition in the city of Calgary concerning the proposed change of use for the Holy Cross hospital. Is the minister in receipt of that petition yet, and is any action contemplated with respect to the concerns that have been expressed?

MR. RUSSELL: Mr. Speaker, I haven't as yet received any copies of a petition, although I've seen several of them. As a matter of fact, there was one being circulated in the building where I live in Calgary, in the constituency where the hospital is located. I understand the petitions are on their way to Edmonton by one means or another.

I am making every effort to meet with groups in the constituency who are interested in the issue and get some factual background to those people who are interested in the issue, because it is rather a complex one. I've said publicly that I believe it's going to take us several months to settle this issue and, based on what I know today, I'm confident we'll reach a resolution that will be generally satisfactory to all the groups that are interested.

MR. LEE: Thank you. A supplementary, Mr. Speaker. Could the minister indicate what formal response he has received from the hospital board at this point? As part of that response, what role is the Colonel Belcher hospital playing with respect to the discussions that are taking place?

MR. RUSSELL: Mr. Speaker, hon. members may recall that the day after my colleague introduced his budget this year, I read a ministerial statement which referred to the proposed roles of the Edmonton General and the Calgary Holy Cross hospitals. It was quite clear in that statement that the proposal put forward to the board which administers the Holy Cross hospital had not

yet been accepted by them. They still have not responded as to either accepting or rejecting that particular proposal, but they have offered a counterproposal, which the department is now assessing.

Any resolution of the issue will involve the future roles of the Colonel Belcher hospital as well as the new Rockyview hospital in Calgary. In my view that's an important fact that many people are overlooking. Members will recall that only about two years ago, in excess of \$8.5 million was spent upgrading the Colonel Belcher hospital to an active treatment hospital. Yet as of last week, only 33 percent of those active beds were being used. I think there's a good facility at the Colonel Belcher hospital, which people are not aware has good facilities waiting to serve them.

MR. LEE: A supplementary, Mr. Speaker. In view of the degree of interest in the future of all these hospitals by not only medical professionals but citizens — and particularly citizens of the inner city — could the minister indicate what opportunity there will be for public input in the decision-making process?

MR. RUSSELL: Mr. Speaker, I've been approached by a spokesperson for the community association representing all those inner [city] communities and am meeting with all the presidents of those communities within a few days, at their request. It's strictly an informational meeting. I've been saying in letters I've been sending to people who have been writing to me on the issue that I believe there is an important role for interested community groups to fill on this issue.

I had my first meeting with the medical staff of Holy Cross hospital during the Easter break, and I look upon that as just the first of a series of meetings that are going to be necessary to fully resolve this issue.

MR. ANDERSON: A supplementary to the previous questions, if I might. Is the hon. minister indicating that all options are still open with respect to the Holy Cross hospital, ranging from the full treatment hospital that's there now, to the other suggested proposals the minister has made for discussion purposes in the past?

MR. RUSSELL: There certainly is a full range of options open. I'm a bit hesitant to say all possible options, but certainly a full range.

I believe there is a misunderstanding among a great many people that the hospital is going to be closed imminently. We got some concerned calls after the sod was turned for the new northeast hospital in Calgary. People believed that closure was imminent following the sod breaking. Of course, that is not correct. The construction of the new northeast hospital is necessary and will proceed. It's going to take three years and, in the meantime, we have several months to carefully assess and settle the issue of the best future role of the Holy Cross hospital.

The one important fact that most people have overlooked is the \$168 million request from the board of the Holy Cross for upgrading that hospital, and that's many millions of dollars in excess of the cost of a new hospital. Therein lies the nub of the issue with which we're trying to deal.

MR. ANDERSON: Mr. Speaker, one further supplementary question. If the board revised the estimates of required funds to keep that hospital in operation, would that have an effect on the decision the government will make with respect to the ultimate role of the Holy Cross hospital?

MR. SPEAKER: The hon. member's question is clearly hypothetical. I'm sure it could be rephrased in a different way, and the hon. minister might wish to answer.

MR. ANDERSON: Mr. Speaker, if I might rephrase the question. Is the hon. minister able to indicate if his decisions regarding priorities are affected by the \$168 million figure, and whether or not a change in that figure would cause the government to change that particular assessment? [interjections]

MR. RUSSELL: Mr. Speaker, it's no secret that we're all interested in a significantly lower figure.

Women's Shelters

DR. BUCK: Mr. Speaker, my question to the Minister of Social Services and Community Health has to do with shelters for battered women. Can the minister indicate if any actions have been taken on any of the recommendations presented to him by the Alberta Council of Women's Shelters?

DR. WEBBER: Yes, Mr. Speaker. We did receive the brief some time ago — if my memory serves me correctly, about a month and a half ago. An interdepartmental group has been looking at the recommendations. One of the recommendations related to funding an experimental approach to women's shelters in northeastern Alberta, and we approved some \$67,000 for that particular experimental program.

DR. BUCK: Mr. Speaker, a supplementary on the last point the minister made. As I understand it, this is just a pilot project. Can the minister indicate if the department is giving any serious consideration to establishing shelters in, say, regional small towns throughout the province? Is there any recommendation at this time?

DR. WEBBER: Mr. Speaker, to provide women's shelters in many of the communities in Alberta would certainly be a very expensive process. That's why this particular proposal looked very attractive. There was provision involved for volunteers — individuals and families volunteering their own homes as services for individuals who need some assistance, some shelter for a few days before they can be transferred to a larger centre.

I've asked for a recent update on the demand for women's shelters in Alberta, as opposed to the capacities. The last time we checked, there was not that significant a difference. In other words, the shelters that have come on stream in the last few years have generally been meeting the demand that's out there. However, I think it's time to have another look at that, and we're doing that. I might also add that the other recommendations in the brief the hon. member referred to earlier are being reviewed, and we are keeping a close consultation with the group that made the presentation.

DR. BUCK: A supplementary, Mr. Speaker. While these studies are going on, has the minister given any consideration to a provincewide crisis line, so people can pick up a central number and phone someone for advice or have someone to turn to in a time of crisis?

DR. WEBBER: Mr. Speaker, that was one of the recommendations made in the group's brief. We do have lines in different parts of the province, although there isn't a particular one for the entire province. We haven't made any decision on that as yet.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate what counselling services are available for, say, husbands who batter wives? Are there services available for these people?

DR. WEBBER: Mr. Speaker, we're getting into an area where counselling to the perpetrators of the crimes has really not been fully assessed. In other words, for individuals that do the battering or the child abuse, the kinds of treatments available need to be assessed further. We are funding a program in Calgary and another one in Lethbridge, I believe. There are several others in the province as well that we are assessing on an ongoing basis. At this stage we think we'd better get a better handle on the benefits from those programs before providing public funds for further expansion.

Highway 56 Upgrading

MR. CLARK: Mr. Speaker, my question to the Minister of Transportation is in regard to Highway 56 south of Hussar to No. 1. Although this highway is not in the Drumheller constituency, it's very important due to being the only access from Drumheller to Highway No. 1. Could the minister inform the Assembly as to the time line for upgrading this section of the highway, at least to a standard so that tourists could get through, and to an all-weather road?

MR. M. MOORE: Mr. Speaker, Highway 56 from the Trans-Canada to Drumheller, has been a priority with this government in terms of upgrading to an all-weather standard. As a matter of fact, the grade construction now is such that it is an all-weather highway, capable of carrying traffic under any weather conditions. As the hon. member noted, however, a portion of it in the constituency represented by the hon. member from Brooks has not yet been hard surfaced or paved. It will be considered and prioritized for future construction in the department's long-term program, with the timing fully dependent upon budgetary allocations provided by the Assembly.

MR. CLARK: A supplementary question, Mr. Speaker. Just for the minister's information, the all-weather road was impassable for two days this year, after three-quarters of an inch of rain. Could the minister assure the Assembly that by the time the Tyrrell museum opens in 1985, there will be at least a base coat on this road?

MR. M. MOORE: No, Mr. Speaker, I'm afraid I'm not able to do that.

MR. R. SPEAKER: A supplementary question. Is the minister considering extending Highway 56 from No. 1 to Coaldale, making it 956 and registering it as such in the provincial network in 1984?

MR. M. MOORE: Mr. Speaker, a proposal has been made by communities within the hon. member's constituency to have Highway 56 extended south from Highway 1, and that is under consideration. However, the first stage of that would involve redesignation of some secondary roads in the area. Only last week I had a meeting with representatives of two or three municipal districts in the area, plus concerned citizens. I am now awaiting a proposal from the county of Lethbridge that would involve redesignation of the existing secondary roads and creation of a new alignment. That would only involve the section of road from Lomond south. Consideration would still have to be given to crossing an Indian reserve and the river before reaching Highway 1, and that's a longer term project.

ORDERS OF THE DAY

MR. SPEAKER: Several hon. members have asked if we might revert to Introduction of Special Guests. Does the Assembly agree?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MRS. FYFE: Mr. Speaker, thank you for allowing me the opportunity to introduce two classes of grade 6 students visiting from the Albert Lacombe elementary school in the city of St. Albert. They're accompanied by their principal, Mr. Leo Bruseker, and by teacher Mr. Del Feser. They're sitting in the public gallery, and I ask them to stand and be recognized by the Assembly.

MR. CLARK: Mr. Speaker, it's a pleasure for me today to introduce to you, and through you to the Assembly, the executive of the Drumheller health complex: Mr. Ray Page, second vice-president; Jack Roome, vice-president; Jim Ramsbottom, the director and a former member of the AHA; and Emil Chapelsky, chairman of the board and a member of the AHA. He also happens to be the president of the Drumheller constituency association. These fine people are here today to help Dave Russell bring better health care to the rural areas, and they're going to meet with him later. I would like them to rise and receive the welcome of the House.

MR. WEISS: Mr. Speaker, thank you for providing me the opportunity to introduce to you, and through you to members of the Assembly, 42 grade 6 students from Beacon Hill elementary in Fort McMurray, located in the Lac La Biche-McMurray constituency. They are accompanied by teachers Dawn Gerriets, Helen Pollard, Val Sinclair, and Doug Gibbon.

Mr. Speaker, this is just one of many groups that have taken the opportunity to come down from Fort McMurray last week and this coming week to take in the Chinese cultural and trade show and the circus. I'm very pleased to have this group take the time to visit the Legislative Assembly as well. I've had the opportunity to meet with them for a few minutes and certainly hope they enjoy their stay. I ask them to rise and receive the cordial welcome of the Assembly.

MR. CLARK: Mr. Speaker, I forgot one person in the gallery, and I apologize. Garry Murray is the fellow who flew these fellows up here because the road was so bad.

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 2 Agricultural Chemicals Amendment Act, 1984

MR. BRADLEY: Mr. Speaker, I move second reading of Bill No. 2, the Agricultural Chemicals Amendment Act, 1984.

This Bill basically clarifies that in a licence or permit, conditions may be attached. It also gives the minister the ability to designate pesticide schedules.

[Motion carried; Bill 2 read a second time]

Bill 3
Emblems of Alberta Amendment Act, 1984

MR. TOPOLNISKY: Mr. Speaker, I move second reading of Bill No. 3, the Emblems of Alberta Amendment Act, 1984.

By this Bill, the lodgepole pine is designated as the official tree of Alberta. How did this selection come about? In October 1980 a request was submitted to the Alberta Forest Service by the Junior Forest Wardens association of Alberta for designation of a provincial tree for Alberta. The Junior Forest Wardens association is made up of boys and girls between the ages of eight and 18 in villages, towns, and cities throughout the province. There are about 2,000 members, sponsored by the Alberta Forest Service.

A survey and study were completed by the Alberta Forest Service and, as a result of this study, the lodgepole pine was selected. Other forest agencies supporting the choice included the Alberta Forestry Association, which is made up of government representatives and generally people who have an interest in forestry. The Alberta Forest Products Association, which is a spokesman for all forestry companies in Alberta, is another supporter. Most companies are represented by this association. The Canadian Institute of Forestry, which is a professional forestry association in Canada, is made up of people who have university degrees in forestry and educators of forestry courses. There are several hundred members of this association. The University of Alberta faculty of forestry also supports the choice of the lodgepole pine as a provincial tree.

Another significant agency is Landscape Alberta, Nursery Trades Association. They recognize the first Thursday of May as Arbor Day. In promoting that special day, they work in regional chapters, getting school children involved in planting some trees in schoolyards. For the first time, Landscape Alberta, Nursery Trades Association will be planting a tree on the Alberta Legislature grounds this year. I plan to join them and to participate in planting a lodgepole pine on Thursday, May 3 at 1:45 p.m.

What is the significance of the lodgepole pine? Mr. Speaker, the choice of this tree was based on the fact that it has significant economic importance, is easily recognized, and is well known to the public. It is a tree with a western flavour, in that it is found along the western half of Alberta and central British Columbia. It is peculiar to the Rocky Mountains. The lodgepole pine is very important to Alberta's forest industry, comprising approximately half of the total cut by industry. The seed mainly comes from Rocky Mountain House, Grande Prairie, Swan Hills, and Hinton to Blairmore. The lodgepole pine has a long history and tradition dating from the early pioneer days when the species was used by the native Indians for shelter, protection, and as a vehicle for transport. The pole was used for holding up the tepee for lodging, thus the name lodgepole. Also, the inner bark of the tree was boiled and used as food.

Lodgepole pines grow in excess of 80 feet in height and up to two feet in diameter. It is an excellent building log because of its straightness and evenness in diameter. It surpasses the poplar in all the building materials. Its major role in a variety of timber products substantiates its importance in the forest industry in Alberta. In the early 1900s, its chief use was in the making of railway ties. Ties from the lodgepole pine are used all over Canada, with Edson and Rocky Mountain House as tie capitals. Most of the lodgepole pine harvested today is manufactured into lumber of various descriptions. It is also used for poles, posts, fuel for farm use, pulp, plywood, and mine timbers.

I would be remiss if I didn't mention National Forest Week. In 1983 National Forest Week was celebrated in Canada from

May 1 to 7. The week was a once-a-year time that Canadians paid tribute to the very important industry of forestry in Canada. Nineteen eighty-three was the fifth year a centre was named as a forestry capital in Canada. Last year the Canadian Forestry Association saw fit that it was Alberta's turn to have a capital, and the theme was forests for the future. Pine Ridge Forest Nursery and the county of Smoky Lake and area were named the forest capital of Canada, 1983. National Forest Week is May 6 to 12, 1984, and Ottawa valley is designated the forest capital of Canada, 1984. During this week, the Alberta focus will recognize the town of Hinton as a leader of forest management practices. St. Regis (Alberta) Ltd. will also be recognized as a papermill complex that has been in operation for over 20 years.

Alberta is developing an extensive reforestation program to maintain healthy forests. Seedling production at Pine Ridge Forest Nursery is geared exclusively to meet the requirements of forestation. These seedlings are used primarily to forest areas cut over by commercial logging operations and areas destroyed by forest fires. Of the 38 million seedlings this facility is capable of producing, up to 40 percent are lodgepole pine which go back to the areas the seed came from. Visitors who tour the illustrious Pine Ridge Forest Nursery are treated with a touch of green. They receive a lodgepole pinecone with directions. This touch of green, Mr. Speaker, is a cone mounted thus, which has the directions on it.

Here is a living souvenir to mark your visit to the Pine Ridge Forest Nursery. Our goal is to provide Trees for the Future, and with seed from this lodgepole pine cone you can participate in the program. Simply follow the directions inside the card — and share in the greening of Alberta.

This is put out by Energy and Natural Resources, Alberta Forest Service.

Just a note of interest about Alberta forests, Mr. Speaker. Few of us realize what it is that dominates Alberta. It is not the grain fields, the oil fields, or the mines. Nearly two-thirds of the province is covered by forests. Therefore trees dominate Alberta. The vital two-thirds, a renewable resource, is a very important export of forest products and provides thousands of jobs.

The second portion of this Bill deals with the provincial colours. The following colours are adopted as the official provincial colours, described as: blue — #286 in the Pantone International Colour Marking System, and gold/deep yellow — #136 in the Pantone International Colour Marking System. With regard to these colours, Alberta has used blue in all emblems in Alberta since Alberta became a province in 1905. The first use of the colour was in the provincial flag. The first use of the gold/deep yellow was for the Heritage Savings Trust Fund logo, brought into being a few years ago, and of course the grain hopper cars.

Therefore, Mr. Speaker, in Alberta the official emblem means: the armorial bearings of Alberta, the flag of Alberta, the floral emblem of Alberta, the Alberta tartan, the official bird of Alberta, the official stone of Alberta, the official tree of Alberta, and the official colours of Alberta. I pose one question. What is the animal of Alberta going to be?

I am pleased to move second reading of Bill No. 3, the Emblems of Alberta Amendment Act, 1984. I urge all hon. members to support the Bill and to make full use of the lodgepole pine as an emblem tree.

[Motion carried; Bill 3 read a second time]

Bill 4
Municipal Land Loans Repeal Act

MR. FISCHER: Mr. Speaker, I am pleased to move second reading of Bill 4, the Municipal Land Loans Repeal Act.

This Bill will repeal an Act which authorizes the Provincial Treasurer to make loans directly from the General Revenue Fund to municipalities for the purpose of acquiring land. There have only been three municipalities that ever used the provisions under this Act: Calgary borrowed \$58 million between 1967 and 1979, Edmonton borrowed \$13 million between 1967 and 1970, and Lloydminster borrowed only \$79,500 in 1969. The greatest amount ever outstanding under this Act was \$53.7 million. This is now down to less than \$18 million.

The municipalities have chosen to deal with the successful, nonprofit Alberta Municipal Financing Corporation instead. It has been in operation since 1956. AMFC assists municipalities to acquire capital funds through capital markets. Since 1976 the heritage trust fund has given assistance to AMFC. With the trust fund's support, there has been no need for municipalities to secure General Revenue Fund loans. Because of the excellent rates and guarantees, it is more advantageous for the municipalities to use AMFC.

It is important to note that the Alberta Municipal Financing Corporation shares virtually all the safeguards and requirements of loans that were made under the Municipal Land Loans Act. Loans will continue to be guaranteed by the Provincial Treasurer. The Auditor General will continue to review each transaction. Loans will continue to require the authorization of the Local Authorities Board. The early payment of loans without a penalty to the municipality will continue, as the Minister of Municipal Affairs has recently announced that the government will cover such penalties for early loan repayments. The cities that still have outstanding payments and the provincial government will continue to be bound by the provisions of the Municipal Land Loans Act until all payments have been received. The last payment will be made on December 15, 1999.

While there is still about \$18 million worth of loans outstanding under this Act, with the last loan Act in December 1979, payments are being made by the municipalities on a scheduled basis, and this would continue after the Act is repealed. If there are any defaults on the outstanding loans, of which there have been none to date, they would still be recoverable under section 31 of the Interpretation Act, even after this Act is repealed.

It gives me a feeling of satisfaction to help the government reduce unnecessary or redundant legislation. I therefore urge members to join me in support of this Bill.

Thank you.

MR. NOTLEY: Mr. Speaker, I would like to address several comments to the principle of Bill No. 4, which is now before the House. With respect to eliminating redundant legislation and bringing government programs together in one particular place, I have no difficulty supporting any move in that direction. But it seems to me that one of the criticisms that could be directed at many of the government policies over the last 12 or 13 years is that we have parallel programs, rather than co-ordinating in one place the provision of services to a particular group of people.

However, Mr. Speaker, I do want to make an additional observation. While I recognize that loans can now be made through the Alberta Municipal Financing Corporation and I therefore will support Bill 4 on second reading, I would like to take this opportunity to say to the hon. member introducing

the Bill and to the government caucus that if we are genuinely interested in providing assistance for local governments in this province, especially now that we see the spectre of higher interest rates very much on the horizon, the government should reinstitute the interest shielding program which was summarily and unilaterally discontinued by this administration a year ago.

Mr. Speaker, it is fine to say that we are going to repeal one Act and co-ordinate this kind of program through the Municipal Financing Corporation. But at the same time, I think we have to recognize that one of the advantages the municipalities used to enjoy with the Alberta Municipal Financing Corporation was an interest shielding policy, which is no longer in place. That doesn't preclude me from supporting Bill No. 4 on second reading. I simply make the appeal to the government that what was a good policy between 1973 and 1983 should be reinstituted, particularly in view of the fact that almost every economic observer is forecasting higher interest rates in the future. So if we are going to ensure that property taxes remain within reasonable limits, then that policy of interest shielding through municipal financing debentures should be reinstated.

MR. SPEAKER: I must say that I had some misgiving about the relevance of the remarks of the hon. Leader of the Opposition to this Bill. I wondered whether we were going to launch a full-scale debate on the question of interest shielding, which might more properly fall under another Bill or another resolution. However, before my anxiety in that regard got me on my feet, the hon. member discontinued.

[Motion carried; Bill 4 read a second time]

Bill 7
Attorney General Statutes
Amendment Act, 1984

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill No. 7, the Attorney General Statutes Amendment Act, 1984.

This Bill would make amendments to three statutes of Alberta. In the first one, the Fatality Inquiries Act, there would be two matters dealt with. One is that it clarifies the reporting obligation a person has when he has reason to believe a person has died under circumstances that the Act requires to be reported. Those circumstances are in sections 10 to 13 of the Act and declare a variety of situations when a person, having knowledge or reason to believe that a person died under any of those circumstances — then the obligation is there to report it to a medical examiner.

What is clarified is that at the present time there is a subsection which provides that the obligation to report is not there if the person has reason to believe a medical examiner has already been notified of the death. The reason for changing that, Mr. Speaker, is that it does perhaps in a small way constitute a loophole, allowing people who might otherwise feel a sense of responsibility to report a death to say they hadn't thought it necessary to report because they believed another person would. That's the change being made there, and it's a significant and important enough one.

The other change relates to deaths involving anesthetics. What is really being done there is that since the present section refers to a death under anesthesia or during recovery from anesthesia, the possibility is there that a recovery may be apparent or it may be a matter of opinion whether a person has recovered from the anesthesia itself but not from the operation. If a death still results from the anesthesia but not evidently

during the recovery from the anesthesia, then it wouldn't be a reportable death. There have been a number of fatality inquiries in the last couple of years that have had to be held because of deaths with respect to anesthetics. That change is therefore also considered to be important.

The amendment to the Possessory Liens Act would allow for a lienholder to dispose of property that's in his possession for charges he has against it, either for repairs or storage, and to do so without proceeding by way of the notice to the debtor and the judicial proceeding that is now required by the Act. If the property were under \$300 in value to the best estimate of the lienholder, then he would be entitled to sell it by a means he believes is reasonable and for a price he believes is reasonable in the circumstances. That only applies with respect to cases where he has stored the chattel for six months or more, and for the lesser period of three months or more if it happens to be a motor vehicle.

Mr. Speaker, the evident value of that to small-business men who are in the repair business is that, given the value of the property, a relatively complex proceeding, perhaps involving notices and a hearing before a judge, would no longer be necessary. I think that would greatly assist small-business people who have to dispose of property that way to do so without unnecessary cost and interference in their business.

The last proposed amendment has to do with the Ultimate Heir Act and really only addresses one point. The proposed amendment would establish a definite time at which it became clear the Crown was no longer entitled to retain income from property in its own right but must account for it to the ultimate heir; in other words, to the universities. Naturally that doesn't apply if there is a successful claimant who comes along in the meantime.

There is no change proposed, for example, in respect of the fact that what the universities would receive is annual income from property which ends up in the possession of the Crown under this legislation. There's no change in the useful and important provision that the university boards of governors use the funds that come to them in that way for scholarships and assistance in fields of research. It simply takes care of the situation where, if there is a difference between the Crown and a claimant — there has never been any difficulty over the accounting, but where there was a difference between the Crown and the ultimate heir as to what the reward to the Crown should be for caring for the property over a period of time, that had to be settled by a procedure involving the Auditor. What this would do is say that the income is apportioned from a date which would now be easily fixed when the Crown actually becomes the legal heir. That would be the time that would be made specific by this legislation.

Mr. Speaker, those are all my comments with respect to the amendments to the three statutes.

[Motion carried; Bill 7 read a second time]

Bill 9
Senior Citizens Housing
Amendment Act, 1984

MR. ALGER: Mr. Speaker, I move that Bill No. 9, the Senior Citizens Housing Amendment Act, 1984, be read a second time.

The purpose of the amendment, Mr. Speaker, is simply to allow the senior citizen lodge foundations to levy an interest penalty on any requisitions which are not paid within 90 days after notice of the amount of requisition is given to the municipality by the foundation.

[Motion carried; Bill 9 read a second time]

Bill 10
Fur Farms Amendment Act, 1984

MR. HYLAND: Mr. Speaker, I move second reading of Bill No. 10, the Fur Farms Amendment Act, 1984. I did it a little better this time.

Mr. Speaker, the Act has four main parts. It has a definition of a fur-bearing animal and of a fur farm. Also in the Act is permission to inspect a fur farm or the facilities used for a fur farm. There has been some discussion with the association about access to a private dwelling where that is being used as a fur farm. That's under discussion right now. There may or may not be amendments to that section of the Bill. The final section relates to — formerly you needed a health certificate to import a fur-bearing animal. Now that certificate will be at the discretion of the director, and you won't necessarily have to have one for every animal.

Mr. Speaker, most of these things that are in the Act were previously in regulations. These are the same regulations that were passed on July 5, 1960. Upon review, it was thought that they needed to be put into legislation so they are more definite. I urge all members to support this Bill.

[Motion carried; Bill 10 read a second time]

Bill 11
Municipal Financing Statutes
Amendment Act, 1984

MR. MUSGROVE: Mr. Speaker, it gives me great pleasure to move second reading of the Municipal Financing Statutes Amendment Act, 1984.

The amendments in this Act are a response to some recommendations that were made by the Debenture Approval Process Review Committee. It was a ministerial committee that was made up of members from the Alberta Urban Municipalities Association, the Alberta Association of Municipal Districts and Counties, and the Alberta improvement district council. The existing process requires that municipalities obtain a Local Authorities Board order after first reading of a debenture bylaw and a Local Authorities Board certificate after third reading. The major change is that the new process eliminates the Local Authorities Board certificate and provides for one approval only by the board in the form of an order after the third reading. This could save up to six weeks in the process of municipal finance.

The second major recommendation of the committee was that guidelines or limits for municipal debt should be developed. There are some minor changes to three different Acts, Mr. Speaker: the Local Authorities Board Act, the Municipal Government Act, and the Municipal Taxation Act. I'll review the four sections where the changes take place. Section 1(1) is procedural. It allows changes to the Local Authorities Act. Section 1(2) allows the Local Authorities Board to establish limits on borrowing. To date there have been no regulations made as to guidelines for what the debt limit would be. Number 1(3) allows municipalities to be one step ahead in municipal financing. As an example, they can plan, design, and even tender municipal borrowing before the board order is received, but they cannot award a contract. Section 1(4) deals with section 71 in the Act, and it is no longer required. It is amalgamated with section 70. Section 1(5) is no longer required as they referred to a proposed bylaw and now the bylaw is the one that

is approved by third reading by council. Section 1(6) corrects the references.

Section 2 changes are procedural, in reference to the Municipal Government Act. Section 2(2)(a) and (b) adjusts the Municipal Government Act to correspond with the Local Authorities Board Act. Section 2(2)(c) adjusts the order of events in subsection (6) and provides that the board order validate the bylaw in debentures in subsection (7). The validation was formerly under their certificate. Section 2(3) allows us to enter into the Municipal Government Act to allow two or more local improvements to be done as one project. It also enables the Local Authorities Board to obtain any other information it might require in a bylaw. This will enable the board to have included in the bylaw information relating to the debt guidelines it will establish. Section 2(4), (5), and (6) reflects the Local Authorities Board approval coming after the passing of the bylaw.

Section 2(7) removes the requirement of the Local Authorities Board of a bylaw to cancel or substitute debentures. Previously the Local Authorities Board had to pass an order to cancel or substitute a debenture bylaw and now, within their own guidelines, the municipalities are allowed to do that themselves. Section 2(8) removes the need for a Local Authorities Board certificate. Section 2(9) was recommendation number one of the debenture approval committee and allows municipalities to put two or more local improvement debentures in one; for example, water, sewer, and sidewalk can now all be included in the same debenture. By doing that, it allows the municipality to have a better recognition of the maturity of their debenture. Section 2(10) clears up the gray areas as to what should be approved as a project. It allows the Local Authorities Board to publish a manual on guidelines for debenture borrowing. Section 2(11) removes the need for a Local Authorities Board certificate in the Municipal Government Act.

Section 3 again is procedural. The Municipal Government Act allows for two or more local improvements as a single project. Section 4: in order not to disrupt the processing of any bylaw which is in existing procedure, the transition section provides that they will continue through the existing process.

Mr. Speaker, I ask for support of second reading of this Bill.

MR. NOTLEY: Mr. Speaker, this time I can assure you that I will speak directly to the principles. As a matter of fact, I'll speak to section 2 of the amendment Act. I'd like the hon. member, when he concludes debate — I gather the changes in the Act come as a result of the report of the Minister's Advisory Committee on the Debenture Approval Process last October. But I'd like the hon. member to be a little more specific as to the nature of the process by which we have decided to amend this Act: the number of meetings and what the position of the two major municipal organizations in the province is, the urban as well as the Alberta Association of Municipalities and Counties. I'd like to know whether there has been any discussion with the cities of Edmonton and Calgary on the provisions of this Act, particularly section 2.

Mr. Speaker, at first the Act appears to be simply house-keeping. But when I see that we are going to add clause (g) to section 27 of the existing Act, which allows the establishment of limits for borrowing by local authorities, it seems to me that we have an important principle that has to be properly assessed on second reading and not glossed over as merely a house-keeping item. If we're going to provide authority to the Local Authorities Board to establish limits for borrowing by local governments in this province, I would say that we are challenging a very important tenet of local autonomy.

No one is suggesting that local governments should be spendthrift and should be borrowing themselves into financial difficulty, although I can think of one particular case of a municipality which got itself in trouble because it listened too carefully to this government. I'm referring specifically to Grand Centre, a community which took the advice of various politicians that there was going to be a boom, decided to take what appeared at the time to be the prudent course, and found that conditions dramatically changed. Then when a court decision on the award came in that was ridiculously high, here was a small community being hit with obligations which threatened Grand Centre with bankruptcy, through no fault of their own, in my judgment at least, but rather the community was a victim of other people's advice and circumstances somewhat beyond their control.

Mr. Speaker, what we are contemplating in this Act is new power to a central authority to tell local governments what they can and cannot do. There may be some argument for that, but if there is, let that argument in defence of an Act of this nature be presented clearly during second reading. I would have to argue that if we are going to accept the proposition that electors in this province are just as sensible locally as they are provincially, that they elect people to make decisions at a local level, that having the Local Authorities Board armed with the power to look over the shoulder of a municipality and say, notwithstanding all the other provisions of this legislation, we're going to impose our own unilateral limit... I just ask hon. members to look carefully at the legislation as it's worded, because there's certainly a good deal of protection now. As one looks at section 27, the board has all the necessary jurisdiction and power to inquire into the merit of an application, to supervise the expenditure, to deal with the financial affairs of a local authority, to grant permission for the extension of time, to separate land from an urban municipality as provided by this Act, and to order compromises of tax arrears as provided in this Act.

I wonder why it is then necessary to add this new section (g), which is going to establish limits for borrowing by local authorities. Could it be that we're going to use the Local Authorities Board to stop projects of a municipal nature that the government may not like? For the sake of argument, let us ask the question: what about Genesee? Should the city of Edmonton wish to proceed, will this new, innocent-looking clause in the Act allow the Local Authorities Board to look over the shoulder of the mayor and the city council of Edmonton and say: no, you can't proceed with Genesee; we have set a limit to your borrowing capacity, and it's just not possible for you to undertake the expansion of your municipally owned public utility? I don't know, but I know that when we're going to add a new power of centralization, a new thrust of taking away the decision-making process from municipal councils in this province and giving it to a provincially appointed body, then we'd better ask those questions and we'd better have a satisfactory answer from the government. I'd like to know what alternatives to introducing this particular section of the Act the government explored.

Mr. Speaker, it's interesting to see how this government has moved so dramatically from the position they took before they were elected in 1971. In the spring of 1971, when the former Social Credit government set a limit on municipal grants, I well remember how the opposition raised such a row and talked about the need for municipal autonomy, the need to recognize and respect the decisions made by locally elected people. In the last few years, it seems to me that every time we turn around we see one example after another of steps which slowly but surely undercut municipal autonomy, erode the deci-

sion-making process at the local level, and concentrate more and more power in the hands of either the government or provincially appointed bodies.

Mr. Speaker, Bill 11 looks innocent enough at first blush, but when I look at the fine print and see that we are now establishing limits, before voting on this particular piece of legislation, I for one would like to know, number one, the process by which this recommendation came to the Legislature; number two, what options, if any, the government considered, apart from imposing limits for borrowing by local authorities; and number three, how this particular policy squares with the commitment that was made in 1971 to respect municipal autonomy in Alberta.

MR. GOGO: Mr. Speaker, speaking to Bill 11, I think the Leader of the Opposition makes some very interesting comments. However, I have some difficulty supporting his comments, other than that I too — and I'm sure this government — support very strongly the issue of local autonomy and local decision-making.

Speaking to just two parts of the amendment, first of all, he questions very seriously amendment (g), "to establish limits for borrowing by local authorities". The time hasn't arrived, but it may arrive pretty quickly. I'm interested in what's going to happen to Grand Centre. Is the Leader of the Opposition telling us to spend \$20 million? In the final analysis, I understand that the ability to repay lies with the province in every instance. I have no difficulty whatsoever with the principle. I would be very interested in terms of what the limits are.

As to the second point, section 70, I have some very great difficulty when the Leader of the Opposition says, what are you doing with local autonomy, when in fact all the amendment says is "When a local authority wishes to raise money by way of debentures" — when it wishes to do so — it must do the following: have "3rd reading of the by-law providing for the debentures". Surely that's democracy; we in this Assembly don't make laws until after third reading, and that's in the authority. I have some difficulty understanding that.

Then it goes on to say, if I could just conclude, that if the debentures — that is, the raising of the money, the purpose of the money, the acquiring of the money — are for the purpose of a work or undertaking, then the application of subsection (1), i.e. third reading of a Bill, must take place before any physical work on the project is commenced. Surely we're not naive. We're not about to say, go and start this or start that, acquire this and acquire that, then worry about passing a bylaw. I have no difficulty at all with section 70. I'd like to support the Bill, certainly those first two amendments, unless there's something I'm not aware of which may come up in committee or perhaps when the member concludes debate.

MR. KOZIAK: Mr. Speaker, just a few remarks with respect to Bill 11, the Municipal Financing Statutes Amendment Act, 1984. I'm pleased to support second reading of this legislation, which comes to the floor of this Assembly at the request, behest, and with the support of the municipal organizations in the province: the Alberta Association of Municipal Districts and Counties, the Alberta Urban Municipalities Association, and the Alberta Association of Improvement Districts.

I listened with interest to the contribution to the debate by the hon. Leader of the Opposition. In light of the comments made by my colleague from Lethbridge West, it reminded me somewhat of the Esso development at Cold Lake and Grand Centre. I believe they refer to the method for extraction of bitumen there as the huff and puff method. And we saw a bit of that huff and puff method during the course of the debate

on Bill 11. Had the Leader of the Opposition taken the time to contact the associations I have listed, which speak for the municipal governments of this province in these areas, he would have learned that their support is foursquare behind the Bill.

He specifically raises the question of limits. Having gone through a borrowing spree in which at one point — I believe it was in the year 1982 — half of all the borrowings by municipal governments in Canada were by Alberta municipalities, there's no doubt that municipal governments recognized the fact that their borrowing decisions today bind councils which may be elected at some future time and which then would not have the opportunity to make a decision affecting the electorate because they had been pre-empted by earlier decisions of elected councils. Mr. Speaker, they fully recognized the need for the establishment of limits on borrowing abilities of local authorities. While they recognize the fact that those limits are necessary, they want to be involved in the process by which those limits are determined. There's absolutely nothing wrong with that concept. However, I think we should be aware that the municipal governments in this province are responsible and, at the same time, they want to ensure that municipal governments in the province do not in fact, by excessive borrowing, jeopardize municipalities, local taxpayers, and the concept of local government.

I'm sure the hon. Leader of the Opposition has had the opportunity to review the report of the Minister's Advisory Committee on the Debenture Approval Process, which was completed in October 1983. If he has not, I'll be pleased to share a copy of that report with him. That report was submitted on behalf of the organizations I've identified and dealt with issues affecting those organizations in the borrowing process.

In addition to the concept he has identified for discussion, what we have in Bill 11 are improvements to the system, improvements which will remove some of the red tape currently facing municipal governments in the whole debenture approval process. In that respect, having now had the benefit of my further advice and the educational process we've undertaken here in this Assembly, I'm sure the hon. Leader of the Opposition . . .

MR. NOTLEY: I'm now more convinced than ever.

MR. KOZIAK: . . . and his colleague will support this legislation.

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

HON. MEMBERS: Agreed.

MR. MUSGROVE: Thank you, Mr. Speaker. The process was questioned. As I said, the debenture review committee was made up of people from all kinds of municipal governments, and they took several months. As the hon. minister said, there's a report. If the Leader of the Opposition hasn't read the report, there are copies available. I assure him that the decision wasn't made in one or two meetings.

As far as the limits are concerned, as a former member of a municipal government, we would have been happy to have some guidelines put on municipal borrowing, particularly for local improvements. At times you would get petitions from a group of people asking for a local improvement without any recognition of what that was going to do to their taxes. We would have relished a limit to be put on that.

As far as the procedure is concerned, it was my experience during my term in municipal government that when you applied for municipal borrowing, at times you had to have a study done

to see what the project was going to cost. Then you would go for a Local Authorities Board certificate and go through the procedure to get a board order. In the meantime, when inflation was rampant, the price would have changed between the time the study was done and the time the board certificate was achieved, and you would have to start the process over again. So I assure you that in these cases we are not eroding the authority of municipal government. We are actually enhancing it.

Thank you, Mr. Speaker.

[Motion carried; Bill 11 read a second time]

Bill 12

Co-operative Marketing Associations and Rural Utilities Guarantee Amendment Act, 1984

MR. BOGLE: Mr. Speaker, I move second reading of Bill No. 12, Co-operative Marketing Associations and Rural Utilities Guarantee Amendment Act, 1984.

The purpose of the amendment, Mr. Speaker, is to transfer the provisions of the Financial Administration Act which allow Treasury to buy out defaulted rural utility lien notes and to make the existing provisions for discontinuance of gas supply to persons in default on lien note payments apply to member-owned rural gas co-operatives. This amendment will make members of member-owned rural gas co-operatives subject to the same provisions as are applicable to customers served by gas utility companies.

[Motion carried; Bill 12 read a second time]

Bill 14

Pipeline Amendment Act, 1984

MR. THOMPSON: Mr. Speaker, I move second reading of Bill No. 14, the Pipeline Amendment Act, 1984.

Mr. Speaker, I'm proud to sponsor what I think is an important Bill. I'm a member of a caucus committee that is interested in deregulating and streamlining government operations. I don't think this is a housekeeping Bill; this is a pretty important Bill. If the hon. Leader of the Opposition were here, I'd like to say that if he liked Bill No. 4, he will love the intent of Bill 14. We have thousands of miles of natural gas pipelines crisscrossing all through Alberta, and we have three different groups involved in the administration of these pipelines. There's the ERCB, the Department of Utilities and Telecommunications and, to some extent, the Department of Labour. There is a certain amount of overlapping, especially in the distribution end of these pipelines.

Here is the principle of the Bill, as I see it. The jurisdiction will be assigned on pressure. What that means is that your main distribution lines over 100 pounds per square inch of pressure will remain in the jurisdiction of the ERCB. Then we get down to the distribution lines, and these include things like rural gas lines; lines that are under 100 pounds per square inch pressure will become their jurisdiction. When you get into the towns, cities, and the metres on the farm, from the metre on to the final user, the Department of Labour inspection branch will have some authority there.

I think this Bill will save a lot of time, effort, and money. I think it will streamline the operation. There is some dispute at times between two different groups on who is administering the thing, and there is an awful lot of duplication. So I urge all hon. members to support this Bill.

Thank you, Mr. Speaker.

[Motion carried; Bill 14 read a second time]

Bill 15

Agricultural Pests Act

MRS. CRIPPS: Mr. Speaker, I'd like to move second reading of Bill 15, the Agricultural Pests Act.

Mr. Speaker, this is not a new Act, although it's a totally rewritten Act. It encompasses the sections of the old Act, also some sections from the Weed Control Act, which it parallels. Both Acts are administered by the agricultural service boards in the counties and municipalities; therefore the paralleling of the two Acts.

I don't want to go through all of them, because each section is from either the old Act or the Weed Control Act. I don't believe there is any section which is totally new. Section 7, which is from the Weed Control Act: a local authority may by passing a bylaw make a farmer responsible for pests between his land and the centre of the road. That's to ensure that a farmer would control those pests at the same time as he's doing his own agricultural land.

Section 12 is changed and is numbered the same as the Weed Control Act so that a weed or pest control officer, very often the same person, could look at that section and set out terms of giving the farmer notice for his problem with pests.

I might just outline for the committee the six declared pests in the province of Alberta. I'd like to tell you how important they are, Mr. Speaker, but I know you'd rule me out of order.

MR. SPEAKER: May I suggest to the hon. member that in debating an Act dealing with agricultural pests, it surely should not be out of order to discuss the nature and extent of the pests.

MRS. CRIPPS: Given those parameters, I certainly will take advantage of it because I think this is probably one of the most important Acts to agriculture in the province.

MR. COOK: How about the New Democrats?

MRS. CRIPPS: The first pest is the Norway rat. [interjections] I may add a few pests, but first I'll deal with the six that are already in the Act. As you know, the Norway rat causes about \$20 million worth of damage in Saskatchewan. Until this point Alberta has, through the pest control Act, been able to maintain Alberta as a rat-free province. It costs Alberta about \$230,000 a year to maintain that freedom. But in Saskatchewan, the damage is done by damage to buildings, contamination and destruction of food and feed, transmission of disease, and fires as a result of rats feeding on insulation wiring material. So it's very, very important that Alberta pest control officers be able to relate to this problem, if it becomes a problem.

A couple of years ago we had combines come into Alberta from either Saskatchewan or Manitoba, and they were infested with rats. It was only the immediate action by the pest control division that stopped that from becoming a problem. Quite often in the spring — teachers, take note of this — in the science classes at school, they will not want to destroy the rats that are in the classroom, although by law they are supposed to. So they give them to some pupils, who take them home. Mother is not too happy about it either, but it's a friend of the child. So instead of destroying them, they may be turned loose. A white rat that's used in the schools is just an albino Norway rat. So we have to be able to solve these problems if they turn up.

The second listed pest is the warble fly. In 1980 it was estimated that through loss of weight gain, trim loss, hide damage, and marketing deductions, warbles cost Alberta cattle producers \$6 million. Without the warble control program — and we have a very extensive warble control program in this province — it would have been in the hundreds of millions of dollars. So it's very important for the welfare of the livestock industry that that warble control is maintained.

If someone would like to go back to my introduction on October 28, 1983, I talked about one of the originators of the warble control free area in Alberta, Mr. Lou Hendrigan, in my constituency. I'm very proud of that.

The next pest is the grasshopper. Grasshopper control costs producers in Alberta \$6 million, but the annual losses still often reach tens of millions of dollars every year. If the grasshoppers become a major problem in any area of the province — and you never know from one year to the next where they will appear and how serious they will be, depending on the weather conditions that will affect their hatch and livability.

Another one is Dutch elm disease. I understand that every province in Canada has the Dutch elm disease. It's now in Manitoba and Montana, so it's getting close. If that disease becomes established, we stand to lose all the majestic boulevard trees we have in the province. If we can maintain Alberta Dutch elm disease free, which we are at present, we could end up the last refuge of the Dutch elm tree.

Bacterial ring rot is a bacterial disease of potatoes which is highly infectious. A small percentage in the field will cause untold losses in storage. So it's very important that we protect the potato growers from bacterial ring rot. As a result of the stringent control program we now have in Alberta, our seed potatoes are in high demand for commercial planting stock in the United States and in other provinces.

I did tell some members I wouldn't mind adding a few to these, Mr. Speaker, but there's another category which says that some pests are also declared nuisances. It might be more fitting to declare them as nuisances. So outside of skunks, coyotes, and magpies, I might add some hon. members.

There's one major change. I'd better go back to the principles, Mr. Speaker. There was an article in the paper I'd like to clarify, because I think it's important. It was misleading. It said that an officer could enter a home, and that's not true. The only way a pest control officer can enter a private dwelling is to go to a justice of the peace or a judge and get a warrant. That's exactly the same way as it's always been, and there's no change. I want to clarify that.

Another major change which I think is very beneficial to the landowner is his ability to appeal to a special committee called an appeal committee, which will be set by the municipality, instead of the court. If he was dissatisfied before with a notice or the cost of the treatment, if it was charged to him, he had to appeal to the court. This was very costly and time-consuming. That has been changed so that he now appeals to this appeal committee, and the appeal committee must respond within five days of the appeal being made to them.

I really don't think there is anything else of major consequence other than that any new sections in the Act parallel the Weed Control Act. If members are concerned, I can give them the section number of that Act so they can check it.

Thank you.

MR. MARTIN: Mr. Speaker, I rise on a couple of points. I don't want to get into definitions of nuisances and pests, because I'm sure we all have different definitions. But I want to get one section clear. I understand the reason for the Bill, but I think where there has been some criticism, and perhaps

the hon. member in concluding debate — it's not necessarily with section 18, because as the hon. member says, it is very clear that you do have to have a warrant to enter a private dwelling house.

The section I would like to delve into a little more is section 17, about which we've had some concerns brought to us. Many people have said they understand the purpose of the Bill, but it seems to be overkill in terms of the sweeping powers to inspectors in section 17. I understand they need to have certain powers if they're going to control pests, but when we look at it — as I understand it, going through section 17, a person can "(a) enter at any reasonable hour". Maybe the Attorney General could fill us in on that. When you're making a Bill, perhaps "reasonable" should be laid out a little clearer, because we may have different opinions about what is reasonable.

I believe in some ways it's unnecessarily giving sweeping powers to take specimens and order people to assemble livestock. I believe the appeal time from a notice served by an inspector is very short, and perhaps the hon. member could allude to that. In particular, Mr. Chairman, the appeal time to the minister of three days from the date of receiving a copy of the local authorities committee is a very short period of time. The other part, that the owner must pay the costs of work carried out — we get into a \$1,000 fine. The point I'm trying to make is that in section 17, the section I'm mainly concerned about, it seems to me that we may have overkill in giving inspectors too much power. I could see most inspectors using this only in extreme situations. But once you put into an Act that they can do this, then it seems to me that the potential for abuse is there.

In conclusion, the only thing I would perhaps suggest is that we might take a look at this in this day of deregulation that we hear from government in other areas, particularly in Consumer and Corporate Affairs. It seems to me we may be going in the other direction there. If in concluding debate the hon. member can convince me that these types of powers are necessary, I would certainly listen to it. But I have some concern about that particular section. I will wait, Mr. Speaker, for the hon. member's comments on that.

MR. SPEAKER: May the hon. member conclude the debate? I should observe in passing that when we start to get into sections rather than the general principle of the Bill, we're practically going into committee. I noticed that the hon. member who just spoke addressed me as Mr. Chairman, and perhaps that was the reason.

MRS. CRIPPS: Mr. Speaker, on the particular section the hon. member discusses, it's no change. Section 17 is section 5 in the old Act and section 11 out of the Weed Control Act. That's (1) and (2). No. 17(3) is the only part that's new in the Pest Control Act, and it's actually out of section 11(6) of the Weed Control Act. So there's no new change. Maybe that would clarify the member's concerns.

The three days in section 15 is there because of the emergent nature of a pest control order and a pest control decision. We've got a court case going on in northern Alberta right now. Within 10 days, your pest can be out of control and it's too late. That's the reason for the three-day appeal to the minister. The member must realize that that three-day appeal is after it's already gone to the appeal committee of the county.

[Motion carried; Bill 15 read a second time]

Bill 17**Cancer Programs Amendment Act, 1984**

MR. WOO: Mr. Speaker, I move second reading of Bill No. 17, the Cancer Programs Amendment Act, 1984.

The purpose of this Bill, Mr. Speaker, is to create a corporation to be known as the Alberta Cancer Foundation. The legislation contained in this Act will enable the Alberta Cancer Foundation to solicit and receive, by various means, property and donations of every nature and description from private individuals, organizations, the corporate sector, and other foundations. Subject to any prior conditions which might be imposed on any given donation or property, all contributions will generally be directed to the advancement of the prevention, detection, and diagnosis of cancer, the treatment and care of cancer patients, and equally important, cancer research.

Mr. Speaker, the creation of this foundation is one which Albertans strongly support. The foundation will afford the corporate sector and citizens of this province the opportunity to make bequests, contributions, and donations in a much more specific and meaningful way. I am pleased to move second reading of this particular Bill.

[Motion carried; Bill 17 read a second time]

Bill 21**Insurance Amendment Act, 1984**

MRS. OSTERMAN: Mr. Speaker, I am pleased to move second reading of Bill 21, the Insurance Amendment Act, 1984.

The insurance industry, agents and adjusters, for some time has been advocating the upgrading of the people working in the industry. To that end, the Act will facilitate the Superintendent of Insurance working with the industry in setting up further experience, training, education, and conditions for step licensing. Step licensing will allow a phase-in, if you will, of those people working in the insurance industry, first of all to work with general insurance, then commercial, and then be licensed as an agent/manager.

Mr. Speaker, the other part of this amendment deals with section 11, which is being repealed from the Insurance Corporations Tax Act. That Act is being transferred to the authority of the Provincial Treasurer. The ability to license or delicense someone in the industry will be kept in the hands of the Minister of Consumer and Corporate Affairs under the Insurance Act.

[Motion carried; Bill 21 read a second time]

Bill 24**Employment Standards Amendment Act, 1984**

MR. PAPROSKI: Mr. Speaker, I am pleased to move second reading of Bill No. 24, the Employment Standards Amendment Act, 1984.

Unfortunately there are some employers in Alberta who do not pay their employees earned wages and benefits legitimately owed to them. The amendments to the Employment Standards Act should do the following: one, speed up the process of adjudicating disputes between employer and employee; secondly, cut down on some appeals that are later abandoned and therefore are used as a delaying tactic; and thirdly, clarify for employees their priority in obtaining unpaid wages in relationship to other creditors.

Mr. Speaker, my first comments deal with section 93(1) and (2), which are new to the Act and are the major changes in the Act. If an employment standards officer determines that

an employer owes an employee earnings and the employer wants to appeal, the employer will have to post the amount owing to the employee or \$500, whichever is less. These funds must accompany the appeal within a 15-day period before a hearing before an umpire, who is a provincial court judge. It is not the intention of the Act to create a financial penalty to receive a hearing but to recover the employee earnings as a result of that hearing.

This Act will also eliminate an appeal concerning the director's paying out of funds when an umpire has dealt with an appeal of an order of an officer and his decision has been filed as a judgment in Court of Queen's Bench. This amendment, along with money up front, should clearly speed up the entire process. There are a number of examples one can give that show employers appealing and then abandoning the case, resulting in a delaying tactic.

A third general amendment — specifically dealing with amendments 3, 4, and 5 on page 1 — will provide legislative clarity with respect to a third party's obligation and liability, such as a bank, for example, on receipt of the director's demand. As the Act now reads, the director is permitted to demand all moneys owing now or in the future without specifying an amount. This amendment will require the director to specify the amount of money which he requires the third party to remit.

A fourth general amendment, for clarity purposes only, can best be explained this way. When a company fails to pay its bills, creditors line up to recover their debts. Employees who have not been paid for the work they have done become a creditor. This amendment will clarify an employee's priority for unpaid wages and establishes the same priority which existed in 1979 before the Alberta Labour Act was changed to the Employment Standards Act. The present Act is very ambiguous in this area, and this amendment will provide clarification and make more certain the intent of the law.

MR. MARTIN: Mr. Speaker, just a couple of comments on the principles of the Bill. It seems to me that the first part of it, where we're talking about an employer having to pay \$500 before his appeal is even heard, much less decided upon, may be a bit unfair to some smaller businesses. I understand the hon. member's reason for saying that they need the money. The fact is that you are making the employer put up \$500 along with the appeal notice. I am just suggesting to the hon. member that given the current economic conditions, what about small businesses that might actually have trouble coming up with a spare \$500? That does not mean their appeal is necessarily wrong; it just means there are tight economic circumstances at this particular time, especially in this recession. It seems to me that the time frame would have been more important than the actual money, if we want a decent appeal system.

The other part — maybe we need the hon. Attorney General involved again — has to do with "the making, giving, accepting or issuing of a claim or right not referred to in clause (a) or (b)". I am sure the hon. member can fill me in on this, because I'm not sure what it means. The other two are fairly clear. Does this exclude any claims or rights issued by an employer? If so, what does it exclude? If all claims or rights issued by an employer are to be covered by this time-limiting section, what good are the rest of the provisions? Mr. Speaker, unless I misread this, all an employer would have to do is issue a claim or right at the commencement of his or her operations, and he or she would thereby have set up a time limit prior to which virtually none of his employees would have a legitimate claim to payment priority, simply because none of his employees would have worked for him prior to the issuance of that

claim or right. If that's what (c) means, I think we have some difficulty. If it doesn't mean that, then I will listen to the hon. member's explanation. If it does mean that, however, I suggest we have a serious problem. I for one could not support the Bill if that's the case, because it would be a loophole you could drive a Mack truck through. I leave that with the hon. member, Mr. Speaker.

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

HON. MEMBERS: Agreed.

MR. PAPROSKI: Mr. Speaker, first of all, with respect to the hon. member's comments about the \$500, there is no question that an extensive amount of work was done to attempt to determine whether the \$500 would be sufficient. Other jurisdictions, other provinces — for example, Ontario — ask the individual who is appealing to post the entire amount of the appeal plus 10 percent. So there is no question that this is more than fair.

The other comment is that 60 percent of all appeals in the province of Alberta are presently under \$500. So I am hoping that that \$500 limit would indeed not be too harsh for individuals. The fact is that individuals have worked hard for this particular earned money. There have indeed been too many frivolous types of appeals strictly to delay. Consequently the government believes that \$500 should be a fair amount.

I would ask the Attorney General, if possible, to perhaps respond to question number two posed by the Member for Edmonton Norwood.

MR. SPEAKER: Under the circumstances, that may have to be done on another occasion. If the hon. member has finished, then of course the debate is concluded.

MR. PAPROSKI: Thank you, Mr. Speaker. I will take the advice and the information shared by the Member for Edmonton Norwood and reply to him.

Thank you.

[Motion carried; Bill 24 read a second time]

Bill 30

Queen's Counsel Amendment Act, 1984

MR. CRAWFORD: Mr. Speaker, I move second reading of Bill 30, Queen's Counsel Amendment Act, 1984.

This can be very briefly stated, Mr. Speaker. The awarding of Queen's Counsel is, by custom, done every two years. A selection of relatively prominent members of the Alberta Bar is made in order to receive the distinction that is in the awarding of a Queen's Counsel. The old custom was that only barristers would be so honoured. For many years that has not been the case, and the custom has arisen that people who have achieved distinction in the practice of the profession are eligible for appointment as Queen's Counsel.

The other thing that might be said about it is that a custom begun by our predecessors and pursued in most jurisdictions in Canada, and still honoured by the present government, is that one of the ways in which a person who is otherwise of good reputation in the profession may be taken note of and considered for Queen's Counsel is if that person has performed in a public-spirited way over a period of years and has gained recognition on that account or has served particularly in organizations such as the Canadian Bar Association and has risen high in that association. Those would all be things taken into account in the awarding of a Queen's Counsel.

What is proposed in this particular legislation is that because of the requirement that a person shall have been an active member of the Bar throughout a 10-year period, it was thought necessary to propose this amendment. We have adopted the custom that one of the ways in which a person is recognized in the normal course would be if that person has been elected a bencher of the society. The very act of having one's colleagues in the profession vote a lawyer into a responsible position such as bencher was thought to be evidence not only of the person's service to the profession but also of the regard in which they're held by fellow practitioners. It used to be convenient to just appoint all the benchers as Queen's Counsel because most of them were rather old birds over the years, or at least they seemed so to me a few years ago, and the question of 10 years of practice was no problem.

There's a much younger Bar these days, and some people who are achieving some worthy distinction have in fact practised for less than 10 years. In all frankness and honesty, that occurred this very year. There are two people who were declared to be Queen's Counsel and, because of the 10-year rule, were not at once eligible. I want to clear that up and at the same time deal with the question of the Deputy Attorney General. Once again, the deputy would normally have already achieved his Queen's Counsel, but if not this would be a way in which that appointment could be made.

Perhaps the least important is Members of the Legislative Assembly and Members of Parliament. I think there isn't anyone in this Chamber that would take the view that a person who is duly elected to a Legislative Assembly or to Parliament is anything other than a selfless and willing servant of the people. That being the case, there would be occasions when it would be appropriate to appoint members who have been elected to either of the Houses; indeed, this would cover Senators as well.

Those are the reasons, Mr. Speaker, and I thank hon. members for their consideration of supporting this Bill.

MR. NOTLEY: Mr. Speaker, in this time when we have 150,000 people out of work, I am sure Albertans will be in ecstasy that we are dealing with a Bill to allow MLAs to become Queen's Counsel. Although I don't intend to oppose the Bill, I frankly suggest that this is not a Bill which needs a great deal of time consumed on it, except maybe to offer one or two observations.

Mr. Speaker, whether or not hon. members of the Assembly concur, I think most Albertans — at least the people I run into as a member of the Legislature — are just a trifle cynical about the process by which Queen's Counsels are announced. I would say that most Albertans have a sneaking suspicion that the appointment of Queen's Counsels is at least in part related to political patronage. Now perhaps that's an unfair and cynical assessment that Alberta citizens have developed over the years. Perhaps it's being totally unfair on the part of these obstinate citizens to presume that politics would enter into the handing out of Queen's Counsels. But I would be less than honest if I did not advise members of the House that at least among the people in my constituency, there is a certain cynicism. That being the case, I wonder if we aren't expanding the grounds for cynicism by adding the Deputy Attorney General and Members of the Legislative Assembly to people who can be appointed Queen's Counsel.

I thought the decision to hand out Queen's Counsel was related to outstanding service in the field of law. On the face of it, I suppose that's not inconsistent with being a member of the Legislature. But I think being a member of the Legislature is the kind of time-consuming work that is more than com-

pensated for by the MLA title we all have which is, in many respects, a good deal more important than being a Queen's Counsel, because it is the letters after our names that show we have been selected by our fellow citizens to sit in this Assembly. I really wonder if a lawyer who has MLA after his name is going to be hard done by if somehow he has to wait until he leaves active participation in the political world to become a QC.

I must freely confess that there are other issues that command more concern on my part as Leader of the Opposition than Bill No. 30. But I do think, Mr. Speaker, that the cynicism that exists is perhaps not without some foundation. The hon. Attorney General has described the practice and has cited the practice elsewhere in the country. The practice right across the country is, I think, subject to the same gentle skepticism on the part of Canadians generally. I suspect that what we are doing with this amendment is simply adding a little more fuel to that fire of skepticism.

Having made those comments, I do not think it is going to bring the body politic crashing down around our ears if we pass this Bill. I suspect that the sun will still come up in the morning and set in the evening, notwithstanding Bill 30. While there still may be 150,000 out of work, perhaps there will be a few happier lawyers who get their QCs. I suppose, in a spirit of magnanimity, that in itself may be enough reason for me to venture my support for this Bill.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, I only want to say that the hon. Leader of the Opposition has made the remark that this particular Bill need not occupy members for long. I want to note that the content of his remarks demonstrates the accuracy of his judgment in that regard.

[Motion carried; Bill 30 read a second time]

Bill 31
Financial Administration
Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 31, the Financial Administration Amendment Act, 1984.

There are a number of technical amendments to this Bill which I'd be pleased to address in committee. But there are three main objectives contained in it. Firstly, there is a provision to establish a revolving fund in the Treasury Department. That will enable more accurate budgeting and will relate to services provided by Treasury to other provincial corporations and departments in the areas, for example, of insurance and risk management.

Secondly, there is a provision to enable the Controller of the government of Alberta to apply modern and, I think, more effective auditing techniques, using sampling methods in a statistical way. One could read the present wording of the Act in such a way as to require the Provincial Treasurer to examine every single disbursement of money from the General Revenue Fund or revolving funds. Members can appreciate that with the billions of dollars involved there, that would take a considerable amount of time. The Auditor General has been advised of the fact of this sampling technique which would be made possible by the amendment, and that is the purpose of it.

The third amendment relates to trying to minimize paper flow within government and would result in a simplification of

the documentation with regard to transactions between the government and Crown corporations.

[Motion carried; Bill 31 read a second time]

Bill 32
Government Land Purchases
Amendment Act, 1984

MR. HYNDMAN: Mr. Speaker, I move second reading of Bill No. 32, the Government Land Purchases Amendment Act, 1984.

The single purpose of this proposed law is to facilitate purchases of land under this particular Act by enabling lands and real property generally in Alberta to be acquired by the government for the first time not only through the vehicle of cash purchases, which is what the existing law permits, but also through the more traditional vehicles of the private sector known as mortgages and agreements for sale. What this would do is enable the minister charged with those purchases at the moment — my colleague the Minister of Public Works, Supply and Services — through his agent and through department officials who are negotiating for the purchase of lands in, for example, restricted development areas, to enable those sales to take place not only on a cash basis, as is now the case, but also through the assumption of an existing mortgage or through the implementation as agreed between the parties of a new mortgage or agreement for sale for perhaps five, 10, 15, or 20 years. This is quite frequently what a purchaser is willing to and is interested in having in any event; that is, a purchase where they are not simply securing a large lump of cash for the transfer of their property to the government but where negotiations can take place leading to a sale under an agreement for sale or a mortgage, which, as members know, is the traditional way that properties in the private sector are usually bought and sold.

What this amendment does is to facilitate that, to enable the Minister of Public Works, Supply and Services to purchase more quickly and more easily, through negotiations from private landholders, lands which would be involved, for example, in the restricted development area and which would be agreed for sale to the government of Alberta.

[Motion carried; Bill 32 read a second time]

Bill 34
Corporation Statutes Amendment Act, 1984

MRS. OSTERMAN: Mr. Speaker, I move second reading of Bill No. 34, the Corporation Statutes Amendment Act, 1984.

The main purpose of this Bill is to facilitate the privatization of the name search area that has until now been handled by the Department of Consumer and Corporate Affairs. There are some seven statutes that are in need of amendment as a result of the privatization of the name search. They are the Business Corporations Act, the Companies Act, the Societies Act, the Cemetery Companies Act, the Co-operative Associations Act, the Credit Union Act, and the Religious Societies' Land Act.

Mr. Speaker, the three areas — corporations, co-ops, and credit unions, for instance, when doing their own name search, will also make the decision as to the choice of the name. If there is a dispute after that choice has been made, that dispute will be looked into by the department. In the nonprofit area — the societies, the extraprovincial corporations — that decision-making will still be handled, in terms of the ultimate decision, by the director at corporate registry.

There is one other small amendment. With the Act being open, we used the opportunity to address a problem the societies in the province were having. Two years ago, when the Business Corporations Act was brought in, the time for societies to be struck off the register if they had not completed their obligations under the Act was taken from two years to one year. Given the nature of nonprofit organizations, the volunteers, this has proved a hardship. Two years is by far a better period of time to give them to look after their obligations in terms of annual reporting and so on under the Act. So we've taken this opportunity to change the one-year period back to a two-year period.

[Motion carried; Bill 34 read a second time]

MR. CRAWFORD: Mr. Speaker, this evening the House will be in Committee of Supply. I've indicated to hon. members that we will be dealing with the Department of Federal and Intergovernmental Affairs and, if there is time, the Department of Recreation and Parks. I move that when members reassemble at 8 o'clock the Assembly be in Committee of Supply, and that the Assembly now adjourn until the Committee of Supply rises and reports.

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

HON. MEMBERS: Agreed.

[The House recessed at 5:17 p.m.]

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

head: **COMMITTEE OF SUPPLY**

[Mr. Purdy in the Chair]

MR. DEPUTY CHAIRMAN: The Committee of Supply will please come to order for consideration of the estimates.

Department of Federal and Intergovernmental Affairs

MR. DEPUTY CHAIRMAN: Has the minister any opening comments?

MR. HORSMAN: Mr. Chairman, I would like to take some time this evening to comment on the work of the Department of Federal and Intergovernmental Affairs and to highlight some of those items which are likely to be of concern and require action by the department in the current fiscal year.

The year ahead promises to be an interesting one in the area of intergovernmental relations. Indeed we may be entering a new era of federal/provincial relations with the resignation of Prime Minister Trudeau and an imminent federal election.

MR. NELSON: Under a Conservative government.

MR. HORSMAN: We can expect to deal with a new Liberal prime minister for a brief period, and then following an early election, hopefully with a new Progressive Conservative prime minister, Brian Mulroney.

MR. NOTLEY: How about Joe Clark, Rollic.

AN HON. MEMBER: It won't be Ed Broadbent, I'll tell you that.

MR. COOK: It's all in the family.

MR. HORSMAN: There are likely to be new directions taken in intergovernmental matters, and the Department of Federal and Intergovernmental Affairs will have to follow the situation carefully to ensure that Alberta benefits from any new directions and actions.

Clearly the future must find governments in Canada continuing to grapple with economic issues. In recognition of this fact, in the fall of last year the government published Alberta in Canada: Strength in Diversity. In that document we pointed out the strengths and great potential of our nation and the importance of the private sector in achieving that potential. Our document recognized the important role federal and provincial governments have in providing the economic, social, and political environment for sustained economic growth.

Intergovernmental relations must be understood and managed in ways which contribute to a stable and predictable environment. Given the high degree of interdependence between federal and provincial governments in important economic and fiscal policy areas, intensive intergovernmental co-operation and consultation will be required. Strength in Diversity sets out the principles and recommendations we believe will provide the framework for co-operative economic and fiscal federalism. These will also provide the foundation for our government's relations with a new government in Ottawa. Members will recall that copies of Strength in Diversity were distributed to members of the Royal Commission on the Economic Union and Development Prospects for Canada so they could be made aware of the government of Alberta's views on the appropriate general direction of Canada's economic development and intergovernmental relations.

On April 16 the interim report of the Macdonald commission, entitled Challenges and Choices, was released. We have reviewed that document and are making an assessment as to the most appropriate response by Alberta to the commission's interim report. Mr. Chairman, I would like to reiterate the concern expressed by our Premier on April 18 regarding this interim report. This government is concerned that "a report dealing with the economic challenges facing the country did not focus on the magnitude of the federal deficit" and the necessity to correct the federal budgetary imbalances which are crippling Canada. Furthermore it is of concern that the report did not emphasize the need to resolve vital issues of transportation and energy, both extremely important to the economic recovery of Alberta and Canada. This government is concerned that the final report of the commission must take into account Alberta's priorities, particularly with respect to the role of governments in the economy, federal/provincial relations, and Alberta's economic development prospects.

Returning to Strength in Diversity, one of the major challenges this government has recognized is the need to promote international trade and to expand our share of international markets. I would like to point out that in that respect at least the federal commission's Challenges and Choices also identifies this issue as one of Canada's major challenges. The trading environment is undergoing rapid and significant changes, and Canadians must not only adapt to those changes but must also anticipate trade opportunities in this rapidly evolving environment. This is particularly relevant for Alberta. The province's economic growth and future prosperity depend on successful sales performance and participation in the international economy. Efforts must be made to improve our effectiveness in and

to expand our share of fiercely competitive international markets.

I know that my colleague the Minister of Agriculture has already discussed some provincial agricultural trade initiatives, and I'm certain my colleagues the ministers of Economic Development and International Trade will do so during the course of their estimates. But from this department's perspective, I would like to emphasize the key role Alberta's foreign offices play in fostering the economic expansion of our international markets. Those offices enhance mutual awareness between Alberta and foreign countries and regions, they gather information, they represent Alberta's interests, and they assist private-sector trade initiatives.

This year the Federal and Intergovernmental Affairs budget includes a new allocation of \$25,000 to each of the London, New York, Tokyo, and Hong Kong offices to enable them to hold investment seminars to facilitate contact and exchange of information regarding Alberta. The seminars will be of interest to a wide variety of individuals, including government, business leaders, cultural groups, the academic community, and the news media. The first of those daylong seminars will be held on May 16 in New York, in co-operation with the Americas Society. At that time Premier Lougheed and several other prominent Canadian government and private-sector speakers, along with prominent Americans, will meet as panelists with a cross section of business leaders to examine economic and energy issues affecting Alberta and western Canada. Similar investment seminars are being planned in the Pacific Rim in Hong Kong and Tokyo. The Alberta offices in London, Tokyo, Hong Kong, New York, Houston, and Los Angeles will vigorously continue to fulfill the numerous important activities relating to promoting Alberta's trade and tourism.

The Alberta government is proud of the initiatives it has taken with respect to establishing special relationships with Heilongjiang in China — examples of which we have seen during the past few weeks — with Hokkaido in Japan, and Gangweon in Korea. These special relationships have resulted in numerous productive programs of exchange and co-operation, particularly through the departments of Agriculture, Culture, and Recreation and Parks. Our special relationship with Heilongjiang was important support in attracting The Great Trade Show and Cultural Exhibition of China to Alberta. Currently under way at the AgriCom here in Edmonton, the show has been very successful, attracting close to 40,000 visitors in its first week. As well, some 60,000 Alberta school children are attending the trade show as part of a special educational program.

As a result of Premier Lougheed's visit last fall to China and Japan and my visit in December to Korea, Japan, and Hong Kong, the twinning relationships have received additional impetus. Members are familiar with the new promotional materials currently being produced to increase citizen awareness and participation in this unique Asia/Alberta exchange program. The Alberta government recognizes the expanding role these relationships play and will continue to play in promoting Alberta's interests in the Pacific Rim. I would like to point out that we are planning special activities in September of this year to celebrate the 10th anniversary of our relationship with Gangweon-do in Korea.

Mr. Chairman, Federal and Intergovernmental Affairs is charged with the primary responsibility for the administration of the General Development Agreement between the government of Alberta and the government of Canada. This agreement has provided the framework for joint government programming in support of provincially determined regional development objectives. The Nutritive Processing Agreement,

which provides valuable support to projects that update our agricultural products, is a particularly important subsidiary agreement to the General Development Agreement. It plays an important role in strengthening the economic base of rural Alberta communities.

The department has been in the process of negotiating a new 10-year replacement agreement to the General Development Agreement, which I anticipate will be signed this spring. I am hopeful about this new agreement, which will be called the Canada/Alberta economic and regional development agreement. Its purpose will be to facilitate greater co-operation and co-ordination of all federal economic development activities in Alberta — and I emphasize, all of their economic development activities — unlike the General Development Agreement which only co-ordinated the activities of the former federal Department of Regional Economic Expansion. As was the case under the former agreement, the objective will be to ensure that federal policies and activities are complementary to and supportive of Alberta's economic priorities and programs, and are not set arbitrarily or unilaterally by the government in Ottawa.

Mr. Chairman, last year during the examination of the department's estimates, I provided a brief review of the discussions on aboriginal constitutional matters which had culminated in a first ministers' conference in March 1983. Hon. members will recall that in June of this last year, this Assembly passed an historic resolution to amend the Constitution as agreed to in the constitutional accord reached at the March conference. The March 8 and 9, 1984, First Ministers' Conference on Aboriginal Constitutional Matters was the second such meeting in a process that will continue until at least 1987.

As hon. members may recall, one of the major achievements of the March '83 conference was to establish a process allowing governments and aboriginal peoples sufficient time to explore the complex questions associated with the aboriginal constitutional issue. Given the complexity of this issue, it is not surprising that there was no agreement on further constitutional amendments at the March 1984 conference. However, there was a productive discussion of some important issues, including equality rights, aboriginal self-government, and the constitutional responsibility for Metis which of course has been the subject of discussions during this past weekend and was also part of the Premier's responses today in the question period.

One underlying issue at that conference was the way in which aboriginal aspirations enunciated in the constitutional forum can best be accommodated. The possible options range from action outside the Constitution to the inclusion of guaranteed aboriginal rights in the Constitution. The government of Alberta believes it is essential to understand the implications of any proposed constitutional provisions in the Constitution. We also believe many practical measures can be taken outside the constitutional process to meet aboriginal needs within this province. So the issue of what form aboriginal constitutional provisions should take will continue to be important in the ongoing discussions on aboriginal constitutional matters. The more basic question of whether or not there should be amendments relating to matters such as aboriginal self-government or land and resources can be expected to receive increasing attention and priority.

Within the most recently concluded conference, there was a general shift in attention from process to substance. I anticipate that the remainder of the discussion process will centre on the many issues of substance which have been raised to date but which have not been resolved.

Federal and Intergovernmental Affairs will continue to play a major role in co-operation with other key departments — the Native Secretariat, the Attorney General's department, Munic-

ipal Affairs, and others — in the important and ongoing constitutional discussions. In the year ahead, I anticipate that there will be considerable preparations undertaken for the next first ministers' conference, which is constitutionally provided for by April 17, 1985.

Mr. Chairman, since the patriation of the Constitution on April 17, 1982, careful consideration and study have been directed toward possible reform of Canada's national institutions. In Alberta and in other parts of the country, a great deal of attention has been focussed on possible ways of reform and revitalization of the upper Chamber so that it performs the function for which it was originally intended: the representation of provincial concerns and interests within the national legislative process.

In a federal system such as Canada's, it is a fundamental principle that the upper House, the Senate, should represent the partners in the federation in order to counterbalance certain majorities which may be achieved in the lower House, which is based upon representation by population. Under the amending formula — Alberta's in form and substance — which is contained in the Constitution Act of 1982, the reform of Canada's upper Chamber requires the consent of the provinces — at least seven of the 10 provinces — containing 50 percent of the population of Canada. It is essential therefore that the provinces review the various options for reform to ensure they are well prepared to advance and to respond appropriately to the various reform proposals. Alberta has established a select committee, co-chaired by the hon. members for Calgary Currie and Calgary North West, to make recommendations to this Legislature on Senate reform and, in due course, those proposals will be laid before this House.

Between January 31 and February 4, I had the opportunity to study the operation of the West German federal system and, in particular, the role and function of the *Bundesrat* within the German federation. The West German visit was a joint initiative by myself and the Ontario Minister of Intergovernmental Affairs, the Hon. Thomas Wells. Since it is expected that the reform of our upper Chamber may soon be the subject of intergovernmental negotiations, we considered it important to examine firsthand the functioning of the second Chamber in the German federal system and its possible applicability to Canada.

As I indicated in my remarks to this Assembly on March 22 during the course of the debate on the motion by the hon. Member for Edmonton Norwood, I will be reporting on that visit to the select committee in some considerable detail, so I will not do so this evening. I can assure members of the Assembly that the opportunity to meet with a great many elected representatives of the West German federal government, the *Bundestag* and the *Bundesrat*, was a valuable and insightful experience; for example, to meet with Dr. Franz Josef Strauss, Prime Minister of Bavaria and president of the *Bundesrat*, and to discuss his observations on the operation of German federalism. As I have indicated, I will pay some attention to reporting to the select committee on the results of those discussions when I have an opportunity to meet with them.

One other aspect of the department that I think I should touch on is the provision within the budget for \$243,500 in grants. Of this amount, the largest single grant, \$90,000, goes, as do other grants from other provinces and the federal government, to the Canadian Intergovernmental Conference Secretariat, which serves first ministers' conferences and various ministerial conferences, and I believe has done so very well. The Alberta government has been providing such funding since the mid-70s, and this year, as I have indicated, the grant is \$90,000. Additional grant funds totalling \$53,500 are provided to the Canadian Plains Research Center at the University

of Regina and to the institute of intergovernmental affairs at Queen's University in support of their unique and worthwhile endeavours.

I'm requesting approval from the Assembly for \$100,000 in unconditional grants intended to provide funds for worthy purposes of supporting Canadian studies programs and intergovernmental organizations, primarily in the United States and overseas. These funds will be granted at the discretion of the department and within my mandate as Minister of Federal and Intergovernmental Affairs. For example, last year grants were provided to the Association for Canadian Studies in the United States, to the 49th Parallel Institute for Canadian/American Relations at Montana State University in Bozeman, and to the Americas Society based in New York. Other such programs may very well be supported in the coming year.

In conclusion, Mr. Chairman, I wish to assure you that Federal and Intergovernmental Affairs will continue to play its supportive role representing Alberta's interests as an equal partner in Confederation. We will ensure that the Alberta government's activities in relation to federal, provincial, and territorial governments in Canada to governments abroad are conducted in a co-ordinated and consistent manner. As part of that responsibility, as I indicated in my remarks to this Assembly speaking to the budget motion, I will be visiting sister provinces in Canada, provinces we are twinned with in other parts of the world, several U.S. states where we maintain offices, and our foreign offices where they are located throughout the world.

Before I conclude my general remarks this evening, Mr. Chairman, I think it would be useful for all members of the Assembly to pay particular tribute to the work that has been done on behalf of the government of Alberta by Dr. Peter Meekison, who is retiring from government service, having spent 10 years with the Department of Federal and Intergovernmental Affairs, and is now returning to academia to take a role as a vice-president at the University of Alberta.

I must confess to a certain amount of personal regret that Dr. Meekison has made this decision. His relationship with me goes back to our university days when we served together on students council at the University of British Columbia. Over those years, quite a few in number now, we have been able to maintain a fairly close contact and a good friendship during that period of time. Dr. Meekison's service to the government of Alberta and to the people of Canada should be well recognized and indeed will be recognized in history, since he was one of the prime architects, with our government, of the amending formula which is now part of the constitution of Canada. His role should be recognized by all members of the Assembly as he takes up his new responsibilities. [applause] However, he's still working until the end of June for the government of Alberta and, of course, he will be working — I think they start working them over at the university on July 1; I'm sure that will take place. But the university's gain is certainly our loss, and we wish him well in his new activities.

Now I would be pleased to answer any questions members may have. Thank you very much for your time this evening.

MR. NOTLEY: I'd like to first of all join the minister in congratulating Dr. Meekison on his work for the people of Alberta. I gather that over the last number of years, Dr. Meekison has been the thinker in the department; the minister has been the talker. Unfortunately, I think the government can talk faster than Dr. Meekison can think. Nevertheless, we pay tribute to the thinker.

Mr. Chairman, tonight I'd like to deal with several specific questions. We'll bring the minister down from the Olympian

heights he began his comments on and deal with a few specific questions. I would like to know what the costs are for the operation of our Government House in New York City. I would like to know what the lease rate is for that particular place. I would also like to know from the minister the final cost of the purchase of the rental in London for the Agent General's residence. I think that kind of information — I recall it being discussed when the hon. Member for Lethbridge East was Minister of Federal and Intergovernmental Affairs. We didn't have final figures at that time; I'm sure we do. It would be useful if that information was provided to the committee so we have some handle on the costs of these operations.

Mr. Chairman, those are several specific questions that I'm sure the minister will want to accommodate. I'd like to move from there, if I may, to deal with two aspects of intergovernmental affairs that I think are close to home. The first — and I wrote the Minister of Federal and Intergovernmental Affairs about this several days ago — is a situation we find in northwestern Alberta and northeastern B.C. In 1950 both provinces — Mr. Manning, the Premier of Alberta, and Mr. Bennett senior, the Premier of British Columbia — signed what I guess you might call a free access agreement between Alberta and British Columbia. Orders in council were passed which basically provided that Alberta residents who drove to British Columbia to deliver grain, in the main, would have the same rights in B.C. as they would in Alberta and vice versa.

The reason I ask that is because I think we're going to have to ask the Minister of Federal and Intergovernmental Affairs and either Dr. Meekison or whoever succeeds him to intervene to try to straighten out what has become a difficult situation between the two provinces. For many years the British Columbia government simply overlooked differences in legislation, but now we have a decision on the north side of the Peace River, in the Fort St. John area, to enforce the provisions of their Fuel Oil Tax Act. The difficulty that creates for farmers from Alberta — and it would affect not only people in the Spirit River-Fairview constituency but also farmers in Grande Prairie — is that people who deliver their grain to Dawson Creek are now being threatened with the concern that they will be charged for not having a permit. Therefore they could be charged and fined a lot of money.

A few days ago, I met with the Dawson Creek Chamber of Commerce, who were very co-operative. They're meeting with the provincial cabinet in British Columbia on May 8. I also met with the Fort St. John Chamber of Commerce. Initially the B.C. government has asked, I guess, for a moratorium on the enforcement of this Act. But I think what is needed, Mr. Minister, is for you and your department to initiate an updating of that 1950 agreement. I think this is one of the real values of a department of intergovernmental affairs. You're always going to have thorny problems as you get close to the borders between one province and another and slightly different laws are in effect. I simply say to the minister that this is an area I think he should take up. It may not be the most dramatic; it may not capture headlines in the newspapers. But it's certainly within the responsibility of the Department of Federal and Intergovernmental Affairs.

There are a number of advantages of clearing up what I would call this misunderstanding and the determination of the authorities to rigorously enforce the regulations. As I'm sure the minister is aware, large numbers of farmers in northwestern Alberta deliver grain to both Dawson Creek and Fort St. John, and the concern they have of being charged with violating B.C. legislation is something I know should trouble us as members of this committee. The farmers in question have been provided with forms which are extremely comprehensive in nature, but

you almost have to be an accountant to fill them out. It's adding a good deal of book work. For a government that has now attached its political future to the masthead of deregulation, I would hope this minister would jump to the defence of northwestern Alberta producers in particular and see if we can work out a political settlement. I say political settlement because it was a political settlement in the first place that got an agreement between the two governments in 1950. I think we have to try to achieve an agreement again.

Mr. Chairman, I want to move from there to deal with another issue that I believe comes directly under the purview of the Minister of Federal and Intergovernmental Affairs. The minister mentioned it when he talked about aboriginal rights and raised the question of the constitutional conference. I have to say that I was very concerned and troubled when I listened to the Premier's responses today, because I do not know, Mr. Minister . . . I'm sorry the Premier isn't in his place tonight, because I want to make these comments to him as much as to the minister. He's not here; I'm going to say it to the government in any event. I'm troubled at the catch-22 situation we are placing the Metis people of Alberta in with our present position on a jurisdictional declaration. As I recall the Premier's statement in the House, we are saying that if we get a clear consensus among Metis people, then the government of Alberta would be prepared to look at transferring jurisdiction.

At first glance, Mr. Chairman, that seems like an eminently reasonable position. But what troubles me is that when we asked the question, how do you define the view of Alberta's Metis people, we didn't get a clear answer on that score, Mr. Minister. It is fine to stand in this House and say, we'll take a look at transferring jurisdiction. But it is not adequate to say that unless you can define for those people exactly what the ground rules are for determining their position. Is it going to be the Assembly of the Metis Association of Alberta? Apparently not. Is it going to be all the communities? Perhaps so, but there seems to be something more. What is that something more?

Mr. Chairman, I hope what I say is not in a partisan sense. I say to committee members as seriously as I can that if we're going to be fair to the Metis people of Alberta we must clearly set out for them what the ground rules are for determining their viewpoint. Unless we do that, I really wonder to what extent Alberta's aboriginal people can have any faith in our good faith as legislators.

The other thing that concerned me as I listened to the Premier's answers in question period today — I hope I'm not misinterpreting him. But the other thing that I thought I heard was that while we would continue with programs in place and would improve those programs during this fiscal year, unless we had a clear indication of where the Metis people stood at the end of this fiscal year, there would be no guarantee that we would continue the process of improving the programs in the future.

If my interpretation of the Premier's answer is correct, Mr. Chairman, that means even more that we in this committee have to be clear in our minds what we mean by consensus among the Metis people so they know where they stand. If it isn't good enough for Mr. Sinclair and the board of the Metis Association of Alberta to speak for the Metis people, then who does speak for them? Surely it can't be the members of this committee. So we have to be clear in how we define consensus among Alberta's aboriginal people, Alberta's people of Metis origin at least.

Mr. Chairman, I also say to the minister that it is wrong to suggest that improvement in programs will await some kind of declaration by the Metis people of Alberta. I say that because

the minister himself has suggested that constitutional process over native rights in the Constitution is ongoing. My understanding is that it could go on until 1987. With a new government, who knows? it could go on a lot longer than that. If the federal and provincial governments are going to take this kind of leisurely pace in determining the issue, then why do we say to Alberta's Metis people: you must tell us within a year; if you don't tell us within a year, we are not going to continue to improve programs that are available to the Metis citizens of our province?

Mr. Chairman, I don't think that's fair; I don't think that's fair at all. I think we have to clearly set out what we mean by consensus. I think we have to set out one other thing, Mr. Minister. I think we have to say to the Metis citizens of our province that during this process where there are discussions between the federal government and the provinces, perhaps with a new federal government — although if anybody can rescue defeat from the jaws of victory, it will be the federal Conservative Party, joined only in a supporting role by the NDP, I might add.

Nevertheless, Mr. Chairman, the fact of the matter is that regardless of what happens in the next federal election, it seems to me you're going to have a tripartite situation. You're going to have the provinces playing a role, you're going to have the federal government playing a role, and you're going to have the aboriginal people known as Metis playing a role. If it's going to take three or four years, in a most optimistic way, for the governments to settle this, are we not being unreasonable and unfair by saying to the Sam Sinclairs of this province and Sam Sinclair's board: we want to have a declaration from you people within a year on where you stand in this matter; if we don't have a declaration, then the improvement of programs will be shuffled off, deep-sixed, stuck in file 13, whatever Conservative governments do with it?

Mr. Chairman, I say to the members of the committee with great respect that the response we got today from the Premier leaves a lot of questions unanswered about the fairness with which this government is going to tackle the question of improving the lot of our aboriginal people.

I want to say just one other thing, Mr. Chairman. I could understand any government wanting to have "i"s dotted and "t"s crossed. That's why we have so many government lawyers, why we spend so much time in the courts and wrangle incessantly between federal and provincial governments. But I can also understand the position of the board of the Metis Association of Alberta who, knowing that the definition of "Metis" is going to have a significant impact on jurisdiction, knowing as well that they've not got a good deal from any provincial government in this country . . .

AN HON. MEMBER: Except Alberta.

MR. NOTLEY: Not "except Alberta", Mr. Minister. I wish I could say that. Only you would believe that. Most Albertans would not. The fact of the matter is that knowing they've not got a square deal, and in the uncertainty of the jurisdictional vacuum that presently exists, naturally they're going to want to deal with federal authorities too. That's only natural. I can't imagine that the leadership of an association like the Metis Association of Alberta would do other than that. I don't think they could properly represent their own members if they didn't push the interests of their people to the maximum, just as this government has from time to time been prepared to shake the pillars of Confederation itself. In 1980 we voted to do something that was unheard of in Canadian politics — cut back on

the supply of oil to other Canadians because we felt strongly about an issue.

You've got people, Mr. Minister, who feel strongly about their rights and about those rights being protected. A couple of weeks ago I was at a meeting of the Northern Alberta Development Council in Fairview — an excellent meeting. One of the highlights of that particular evening was a presentation by Stan Sewell and Sam Sinclair on the rights of the Alberta Metis people.

Mr. Chairman, the other day when we got into a discussion of the Lubicon issue, the Premier was quick to say that we've got to consider the rights of Alberta's Metis people too. I agree; we have to consider the rights of Alberta's Metis people too. But I don't think we're doing that if we leave them in this constitutional vacuum and basically hold over them the threat that unless you make a premature declaration of jurisdiction, even before the government has settled the issue, we're going to hold back on programs. I say to the minister that it seems to me we ought to rethink that position.

I just want to add one other comment. I believe that on Wednesday the legislative committee on the Senate is holding a meeting. One of the people who participated in the New Democratic Party policy development on the idea of a House of the provinces will be making a submission on our view with respect to a second Chamber. I think the Senate as we know it should clearly be abolished and replaced by an effective House of the provinces based on the same number of members from every province in Canada. I think that would at least go some distance to providing regional input into the actions of the federal government.

In concluding my remarks, Mr. Chairman, I would be interested to perhaps have the minister bring us up to date on where he personally stands, as minister of the Crown and of his department, on the issue of whether he feels we should have an appointed second Chamber or whether he has jumped on the — what is it? — three E bandwagon; in any event, whether he's in favour of an elected second Chamber. I raise that by saying to members of the committee that while there are some superficial advantages to the election of a second Chamber, I think that's just inviting trouble. What is important in a second Chamber is to have a body which can be representative of those people who actually wield power in the provinces. The worst thing you could have is a second Chamber with parallel spokespeople for the different regions, as opposed to the provincial governments. It seems to me that the whole process of a second Chamber is defeated if you have the Australian situation, which I think is just a recipe for trouble on the national level and will create greater disharmony, more frustration, and wider alienation than we have at the present time.

Mr. Chairman, I think what is necessary is a House of the provinces, but one which is reflective of the provincial governments — and I say the "governments", whether it's the NDP government of Manitoba, the Conservative government of Alberta, the PQ government of Quebec, or the Social Credit government of British Columbia. What we want to do is make a second Chamber reflective of regional interest, as exercised by those people who in fact wield power in our system of responsible government at the provincial level.

Mr. Chairman, with those questions and comments — I am sure other members will have additional things to say — I await with bated breath, as I always do, for the minister's response.

MR. ANDERSON: Mr. Chairman, I would like to participate very briefly in the debate on the budget estimates of the Department of Federal and Intergovernmental Affairs. It is my belief that since 1905 Alberta has been quickly evolving to a point

where it has now taken its rightful place in Confederation as a strong leader in our country. As a new province in that year, we indeed took some time to develop our economy, our status in the nation, and our opinions with respect to how our nation should operate in the best interests of all Canadians.

In my opinion, the 1980s has been a realization of those goals, those thoughts, and those desires. The 1980s has clearly been the decade when this province has taken a front-role leadership position on issues of national importance and, indeed, in matters of international relations. The Constitution, which is to a large extent in many aspects the design of the province of Alberta, was perhaps the most emphatic and long-term, evident part of that conclusion. Indeed the energy negotiations showed that as well.

We have taken another step under the guidance of the current Minister of Federal and Intergovernmental Affairs in the establishment of the Select Committee on Senate Reform, which I have the honour to Chair. In our travels with that committee across the country to date, in meeting with other provincial governments and other oppositions in Canada, I might say that it is evident that many of our sister provinces are looking to this province for leadership, not because those provinces are less capable or their opinions are less important but because this government in its seniority in the country among the smaller provinces, if you will — the provinces that are not part of the two central Canadian provinces — has evolved its leadership, has proven its ability to think through the issues, and has indeed taken that leadership role in the constitutional debate. We are being looked on to take leadership in other ways.

I might say that I am proud today to congratulate the Department of Federal and Intergovernmental Affairs; in particular the deputy minister, Dr. Peter Meekison, who, as the minister indicated, will be leaving us shortly, a man who has indeed played a role in the history of the country and very much in the history of the province. I have had the pleasure of working with him on a number of occasions and, I suppose to a greater extent, experiencing the work that he and his department have put out. I believe it to be first rate, far above the expectations of many and definitely in keeping with any other work done in the federal and intergovernmental affairs area anywhere in this country.

As well, I would like to congratulate the former Minister of Federal and Intergovernmental Affairs for the work done in bringing us to the point we're at, and the current minister in the portfolio. In my travels it's evident that his consistent, thoughtful, and dynamic leadership is respected across the country. On behalf of the Assembly as a whole, I know we respect that work and respect what he's doing to make sure the place of Albertans in the country and in the world is well-respected and looked at.

Mr. Chairman, with those few remarks I have only one question for the Minister of Federal and Intergovernmental Affairs. During the travels which I had the pleasure of being part of during the constitutional discussions, it became evident to many of us on that committee as we went through the Atlantic provinces that that was a part of our country that we share much with, in terms of the goals that need to be realized, taking into account our distance from the centre and the lack of population base. As well, there are some new aspects we share with evolving resource development in the Atlantic provinces. It was certainly my feeling and I know that of others on the committee that we should establish a more permanent liaison with that part of our nation in the form of a Federal and Intergovernmental Affairs office in Halifax or some other major city within the Atlantic provinces.

In asking the question of the previous minister a couple of years ago, he indicated that was in the planning stages and we

were just awaiting the proper time and moment to establish that office. With economic difficulties and restraint programs that we're trying to initiate, I recognize that establishing new offices and new directions is something we've not looked at seriously in many respects, but I hope this one has not been forgotten. While it may cost a couple of dollars, and I think the costs would be minor, in terms of business opportunities for Albertans in the Atlantic provinces and in terms of necessary, crucial liaison with respect to future constitutional issues and other matters of joint concern to us across the country, I believe we need some kind of permanent way of communicating with that part of our nation. So I specifically ask the minister: was that considered for this year's budget, and is it still under active consideration for a future year's budget in the form of an office in Atlantic Canada?

MR. MARTIN: Mr. Chairman, one of the issues I would like to discuss tonight will be short, because I don't think they've changed from the estimates last year. There are about three or four points I would like to make and then come back to the economics of the minister's office.

Certainly if we look at what's happened over the weekend — and when I asked questions about the cruise missile in the previous House, up to the time the Premier finally got enough courage, when Maggie Thatcher was over, to say they're for the cruise, I know the Alberta government had no position on it until very late in the game. Obviously we've had one session of the cruise go over. I expect we're not going to change that. In terms of talking about leadership coming from the provincial government — the hon. Member for Calgary Currie was talking about the leadership role Alberta could perform in this country — I think it's one of the things we're going to have to look at.

Many, many people are concerned for their own security. At this point, most people that I talked to at least, whether they are out marching or not, are somewhat concerned when they see what is happening both in the U.S.S.R. and in the U.S.A. I know that the hon. minister of intergovernmental affairs does not specifically make these decisions; it's a federal government matter. But I think we have to be clear where we stand. Obviously, after a point, we're for the cruise. Does that mean then that we have to be part of the problem forever? We are now well aware that both sides have enough nuclear weapons to blow us all off the map a hundred times over. The point is — the hon. Member for Edmonton Belmont may not like it, but it's an important issue to many people, and it's one that certainly should be debated in this House. Instead of acting like a silly little boy over there, perhaps he would recognize that this is an important issue to many people. I know the minister is well aware of that anyhow.

The point that I would ask: I know that there were some discussions before the cruise. Have there been any discussions with the federal government more recently, after the cruise?

Has the minister any opinions about the recent peace institute that has been set up by the federal Liberal government? I know Mr. Clark has had some comments — perhaps some legitimate ones — that it could be just a group to advise the cabinet rather than a group that is seriously concerned about peace. I would ask the minister, as part of that, if he has had any discussion with either the Conservative Party, who could well be the government if they don't blow it, or the federal Liberals. What's our particular stand about that?

The other issue my colleague has talked about is the Senate. It's clear from our side that the Senate has been the most useless body we've ever had in this country. It's basically been a retirement home for hacks, mainly Liberals because they've

been in power longer. I think we all recognize that the Senate we now have is not working; it's not working at all, Mr. Chairman. We have suggested a House of provinces to balance off, if you like, the regional differences. We'll be going into that with the committee on Wednesday.

There's another area I would like the minister to consider, and see if the minister has any opinions. I know the government hasn't said anything on it particularly. It's starting to come up in the leadership race of the Liberal Party. Some of them are advocating proportional representation. I expect there are probably people in the Conservative Party that agree with proportional rep and others that don't; I know it's true of my party. I've come to the conclusion that we are going to have to have some type of proportional rep. I don't have the magical answer here, but it seems to me that in a country as regional as ours, if we are going to stay together and not tear ourselves apart as we have in the past, a form of proportional rep would at least give us some bearing or we'd have different parties representing all the regions. I would ask for the minister's comments — if any thought has gone on, besides the Senate, in terms of proportional rep.

Finally, I would ask — and I know this is irksome to the minister, but one of the things we are doing is looking at estimates. I notice the minister must be quite a good negotiator because, in a time of restraint, it seems to me that the minister's office has done rather well. I know the minister will come up and tell me that these are a necessity, because we're getting around and doing all these things to bring industry into the province. But I would suggest that in a time of restraint, it is hard to sell that sort of message, Mr. Minister — through you to the Chairman — when you're laying people off and talking about privatization, when people in both the private and public sectors are worried about their own livelihoods. I notice that conferences and missions, for instance, are going to be up 54.5 percent. I know it's just thousands of dollars but, as I've tried to tell the government before, the symbolism is important in times of restraint. I notice that the minister's office itself is going up 8.2 percent; administrative support staff is going up 8.9 percent. Again, Mr. Minister, this is a time when we're talking to 15.1 percent unemployed in Edmonton; we're talking to government employees and basically saying they're going to get zero; and we're talking to private employees who are actually taking cutbacks.

This is going to be hard to sell. It's going to be hard for the minister. I know he will do it in a very able manner and say it's a necessity, but it's these types of things that I think the government has developed a double standard with. Until they come to grips with all their own departments — and this is what we mean when we say we should go department by department and cut out everything that is unnecessary. I would just say to the hon. minister that a 54.5 percent increase in conferences and missions is probably not necessary in a time of restraint, especially if we want to make that message to various people. I ask the minister to comment on that at some point. I expect I know the answer ahead of time, but maybe the minister will change that.

So I would like comments from the minister in those three areas, Mr. Chairman: in terms of the peace institute that has been developed, the House of provinces, the Senate my colleague has talked about, and the feelings of this government or even the minister's own personal opinions about proportional rep. As I mentioned, with the Liberal leadership convention talking about this, perhaps we're going to be faced with the reality of deciding on this, and I hope the Alberta government would have a firm position on it. Finally the whole area of restraint: a 7.3 percent increase overall, but ranging from 1.3

to 54.5 percent. Could I get the minister's comments in those areas?

MR. R. SPEAKER: Mr. Chairman, to the minister. I'd like to have a response on two topics. The first one wasn't covered completely in the minister's remarks and is with regard to ongoing federal/provincial discussion topics; I call them committees: for example, oil and gas, we've mentioned aboriginal rights, red meat stabilization, competition between provinces in terms of industry, Senate reform, the economic development paper by the government that's forthcoming possibly in May or June. I was wondering if the minister could elaborate further on items such as that that are either being negotiated or discussed through the auspices of the Department of Federal and Intergovernmental Affairs.

We have said from this side of the House a number of times that there often seems to be an overlap between the Minister of Federal and Intergovernmental Affairs and, say, the Minister of Agriculture and other ministers. Are both staffs working on the same kind of problem, and how does this necessary co-ordination take place between the respective departments, such as agriculture or industry or energy, and the Minister of Federal and Intergovernmental Affairs? I'd certainly like to know the list of those types of subjects that are before the minister and other ministers of government at the present time.

The second area is one that has already been commented on. It's with regard to the Metis people, specifically of Alberta. In listening to the discussion that arose earlier in this Legislature in question period, the concern I had was the adversary approach that seemed to be taken by the government of Alberta — the Premier, possibly the Minister of Federal and Intergovernmental Affairs and other ministers — and the Metis people. Historically, I have felt that should not be the approach with the Metis people of this province. In my term of office on that side of the House, I gained many friends in many of the Metis colonies and settlements of this province. I found the Metis people to be very humble, very open to discussion, and very willing to try to reach some kind of settlement. They're not hard-nosed bargainers. They need assistance in determining what is right and what is wrong. To me, that should be the approach of government at this time, but I'm not sure that can happen.

After 1971 the Conservative government of this province started to look at the Metis Betterment Act, and that went through a number of committee reviews and discussions. We still haven't come to grips with the intent of that Act or the changes that are necessary, if any. It's just been an ongoing discussion. If we put the important question such as the one before us — the question of whether Metis people become the responsibility of the federal government or the provincial government — and handle it the very same way, it isn't only going to be from 13 to 14 years in discussion; we're talking about 25, 30, 50 years of discussion. We'll most likely never reach an agreement under the past approach that has been used by the Conservative government.

I think the process that has been initiated by the Premier and is supposedly supported by the Minister of Federal and Intergovernmental Affairs — this rather adversary approach — should be reassessed. I think it's a partnership. These are Albertans, people who were the early settlers of this province, the early leaders in northern Alberta, some very, very fine people that I'm sure would like to work out a solution that is sensible and reasonable and not one through an adversary technique. It's not a business deal in downtown Calgary we're talking about. We're talking about human lives, the needs of some people in this province, some land settlement that is necessary.

That's not done in the same way that you deal in downtown Calgary. It's done on the basis of assisting the people to reach their goals. If the government here can't change to that kind of psychology, I think there will be a stalemate, to the detriment of some very fine people in northern Alberta.

So my suggestion to the government is: rethink the approach you're using at the present time; use a more commonsense approach, a supportive approach, not an adversary approach, and I think we can come up with a reasonable settlement and arrangement for the Metis people of northern Alberta, because I know they're very reasonable and understanding people. I've always found them that way, and I'm sure today, with this topic, there is no exception.

Mr. Chairman, I'd like the minister to assess that attitude and certainly comment on it. That's my second point; the first one was with regard to the kinds of topics that are being discussed between the federal and provincial governments at the present time.

MR. DEPUTY CHAIRMAN: Would the minister like to respond?

MR. HORSMAN: Thank you, Mr. Chairman. There was some overlap in the questions, so I'll try to deal with issues as they arose. With respect to the actual costs of operating the foreign offices, members will recall that Motion 218 was passed last November, which encompasses the cost of operation of the foreign offices in terms of the operating costs, and the lease and other costs that are borne by other departments of government. Just for the record, I think it is important to point out that it is the Department of Federal and Intergovernmental Affairs that is responsible for the operational costs of the foreign offices. Many things such as lease costs, renovations, matters of that nature, come under the Department of Public Works, Supply and Services. But I can assure hon. members that in the preparation of Motion for a Return 218, which will deal with the three immediate fiscal years, that information will all be provided. We're working on it and hope to have that information available within the next very short period of time.

With respect to London House and the cost of acquisition of that lease, I'm sure that question was answered by my colleague the now Minister of Advanced Education and his colleague — it would be the same minister then of Housing and Public Works. That was already supplied. That hasn't changed. I don't have that information with me tonight, but I think the record will show that the actual cost of acquisition of the lease was supplied to the Assembly. In any event, because of the nature of Motion 218, the actual lease cost was all-encompassing. It involved travel and all the costs of operation. That will be made available in the very near future.

As to the issue the hon. member has been kind enough to bring to my attention, I regret that the letter which he has written to me on the subject has not yet reached my attention, perhaps because of the nature of the Easter break. However, I understand that that is a matter of considerable concern to the hon. Provincial Treasurer, because the administration of fuel oil taxes within the province come within his jurisdiction. Furthermore, the Minister of Agriculture has had the matter brought to his attention and is corresponding directly with his counterpart in the province of British Columbia to try to resolve the issue that has arisen on recent date.

While I'm dealing with that particular question that was raised by the hon. Leader of the Opposition, I think I can deal with the issue as to the role the department plays in issues of the nature, whether or not there is overlap or two departments trying to do the same thing at the same time — a very proper

and useful question to have been asked. The department's primary responsibilities are of course in dealing with constitutional issues, which I'll come to in a moment. When it comes to relationships with other provinces and dealing with line departments of governments, the Department of Federal and Intergovernmental Affairs provides services. It's a service department to other governmental departments. In that respect we have a number of senior intergovernmental affairs officers who have the responsibility of working with the various line departments. Their role is not to dictate the policy issues in any way, shape, or form but rather to provide service by way of dealing with the other departments, giving advice and information as to the actual policies which may be employed by other governments in Canada, other provincial governments or the federal government.

One particular area of some considerable concern to us at the present time — and I think it was raised by the hon. Member for Little Bow — related to the question of what other governments are doing now with respect to preferential pricing for contracting of either goods or services by government. That matter is the prime responsibility of the Department of Economic Development. The minister there has the lead in that respect and, as he carries out those negotiations with other governments, the Department of Federal and Intergovernmental Affairs is providing information and advice that we have been able to obtain.

On that particular issue, it has always been the policy of this government that we do not want to see artificial barriers erected between governments in areas of that kind or nature. The same type of service would be provided to the Department of Agriculture relative to the issue of red meat stabilization. In matters relating to energy, of course, there are senior intergovernmental affairs officers who work with the Department of Energy and Natural Resources on issues of that nature. But when it becomes a constitutional issue, then of course we as a department do become more involved in providing advice, and we work closely with the Department of the Attorney General as well.

So that is really how we try to co-ordinate the efforts of the departments, rather than overlapping or competing with any other department of government.

However, before I pass on from that grain transportation issue raised by the hon. Leader of the Opposition, I want to say that I appreciate being informed of the problem and can assure him that I will undertake discussions on that subject with my colleagues to try to deal properly with that issue, which he quite rightly points out is creating difficulties in northwestern Alberta and northeastern British Columbia.

On the subject of aboriginal rights and of the Metis, which was raised both by the Leader of the Opposition and by the leader of the Independents, I was not at the meeting which was held last week. I was attending an intergovernmental meeting in Quebec City with other provinces and state legislators from the United States. I have not yet had a full briefing on what took place there in terms of communication between the Premier, the ministers who did attend, and Metis representatives.

Of course I was present at the constitutional conference which was held in March in Ottawa. At that time, without any question it came as a surprise to this government that the Metis National Council made representations during the course of that conference that Metis rights should be considered under section 91.14 . . . Sorry, I'll get my numbers correct here. In any event, Metis should come under section 91.24 of the federal government's Constitution Act. We as a government had always taken the position, both at the first conference on aboriginal rights and again in the Premier's opening remarks at

this March conference, that we recognized the Metis were the responsibility of the government of Alberta and that there were many things that could be done and should be done within the province of Alberta that did not require constitutionalization; for example, such things as improvements to the Metis Betterment Act, which was mentioned earlier this evening and which is the responsibility of the Minister of Municipal Affairs.

So if there's a catch-22 situation, the government of Alberta found itself somewhat caught in that catch-22 situation as well, by reason of the fact that we made our position clear during all the first ministers' conferences and in the ministerial meetings leading up to those conferences that we just accepted that responsibility. So it took us by surprise that another position was advanced.

I think it's only fair for us to know exactly how to proceed from this point, to seek information from the Metis representatives in Alberta on how they feel on the issue. From my understanding, that is what the Premier and other ministers attempted to ascertain during the course of their meeting last weekend. Certainly it would not be done in any confrontational or adversarial approach, but it is a matter of some considerable importance to us as to how we now continue our discussions with the Metis people, particularly in such matters as the Metis Betterment Act and the MacEwan committee, which has been meeting over a period of time to make recommendations to the government as to how that Act might be changed. We certainly don't want the matter dragged out. I can assure members of this committee that it is not the intention to drag out that issue at all. It is important that we obtain a clear understanding of that matter from those who are directly responsible to the Metis people through their organizations.

Other questions were raised relating to constitutional issues, the role of the upper House. The hon. Leader of the Opposition and his colleague made some representations as to the Senate. At this stage I think it would be inappropriate for me to give my personal views on that subject, because that's a matter now before the people of Alberta. A select committee of the Assembly has been established. It's appropriate that they should go about the province seeking the opinion of Albertans on that subject.

However, I want to say something the Leader of the Opposition might find very interesting on the subject of the Australian Senate. During the course of my visit to England last August, on which I reported to the select committee in one of their first meetings, I heard almost identical expressions of opinion about the role of the Australian Senate, given to me over a two-hour meeting by a senator from New South Wales. Interestingly enough, the senator in question was a member of the Liberal party, which in Australia holds a conservative philosophy. His view of the function and operation of the Australian Senate was markedly similar to that just hinted at by the Leader of the Opposition.

MR. NOTLEY: He's a very wise person.

MR. HORSMAN: I listened with a good deal of interest to what this very conservative senator from New South Wales had to say about whether or not — and I think this is the key issue — the Senate in Australia really did protect the interests of the partners in that federal state. Without giving my personal opinion, Mr. Chairman, I think we should be very, very cautious indeed before we leap into accepting what might appear on the surface to be a very popular and easy thing, with a slogan attached to it, like a Triple E something or the other. I think the committee that is now reviewing this matter would be well advised to listen carefully to what is going to be said to them

on Wednesday by people who are proposing a House of the provinces or something of that nature to replace the Canadian Senate.

In that respect, while I didn't deal at any length, I indicated that I will be reporting to the select committee on the role of the *Bundesrat* in the western German system in the republic of Germany. There the *Länder*, or the provinces, are directly represented in the national legislative process. Unlike Canada where the prime minister appoints the senators, it is the land governments, the provinces, that appoint and recall members of the upper Chamber. Furthermore, all those people are elected. In other words, they are elected state legislators. So there is that element of direct election. Many of the people I spoke to were very, very positive that that was an effective way of protecting the rights and interests of the component parts of the Federal Republic of Germany.

That is something I want to discuss at some length with the committee when I appear before it to give my views and to report on the trip I made with the Minister of Intergovernmental Affairs from Ontario. However, I think it would be wrong at this stage for me to give my personal opinion, despite the invitation to do so by the hon. Member for Edmonton Norwood. Suffice it to say that I think we as a province must approach with the greatest deal of care how any upper House reform is really brought about in Canada. I'm not persuaded at this stage to leap onto the side of any sloganized proposal, if that helps clarify the issue.

On the subject of proportional representation, however, I think I can say that I see very little merit in it.

MR. GOGO: That's quite clear, Jim.

MR. HORSMAN: On the subject of the peace institute, I think the hon. member raised that and brought in the issue of the cruise missile testing and antinuclear sentiments which exist in Canada. I have not had the opportunity of reviewing the peace institute proposal advanced by the federal government in any depth. Of course I think Canada as a nation — and this government — is fully supportive of peace in the world. I think the question comes as to how one achieves that. Whether it is by disarmament, either unilateral or bilateral, or however, it is something we should be working toward. At the same time, within this unfortunate world of ours, we've seen many examples of warlike acts taking place which require some form of deterrent.

Specifically on the discussions on the cruise, as hon. members are aware, one test has taken place. A report, which has been made public, has been made as to the carrying out of that test. In one of my visits to Ottawa, I met with the Minister of National Defence on that subject and was assured that Alberta will be kept fully informed as to the testing program that takes place and, of course, fully assured again and again that under no circumstances will any tests take place with any armament of any kind, nuclear or non-nuclear, on the missiles, and that we will be kept fully abreast of those tests as they take place.

So the answer is: yes, there were discussions with respect to the cruise missile beforehand, and yes, we have been fully informed as to what took place during the course of the test, as has the general public. We have been promised the full disclosure of future tests which will take place on that issue.

On the peace institute issue: I want to study that very carefully, because if it is more than just a partisan issue, then I think the provinces could very well have a role to play in dealing with such an institute in Canada.

Mr. Chairman, I think the one other question that remains, asked by the Member for Edmonton Norwood, is why there

was an overall increase of 7.3 percent in the budget. Of course most of that arises in conferences and missions. There are three elements with respect to that. There is the grant of \$100,000, which I mentioned. There are four conferences, each budgeted at \$25,000, which is another \$100,000 in total for conferences which will be held in the foreign offices. In addition, there is about the same amount — \$100,000, I believe — for strengthening the twinning relationships with the three provinces Heilongjiang, Hokkaido, and Gangweon. I think particular emphasis will be placed this year on the Gangweon relationship because of the fact that it is the 10th anniversary of that relationship. That of course represents the very major increase in the very tiny budget, which makes the proportion seem that much higher.

I think those are the main questions that were raised with respect to the actual increases, and that really accounts for the primary amounts of those increases. Within my own office, there is no increase this year for my own salary. Other members of the staff did receive some increases by increment and upgrading within their ranges. I think that accounts for those increases.

The other question asked by the hon. Member for Calgary Currie related to the subject of whether to establish an office in Atlantic Canada. There is nothing in the budget to establish any new offices this year, although the hon. Member for Calgary Currie is certainly correct in saying that it is useful for us to have a good relationship with the Atlantic provinces. Down the road, when budgetary considerations warrant it, I think such a proposal might very well be pursued.

Mr. Chairman, I might just say that that point was brought home to me as well this last week during the course of the meeting which was held in Quebec City — held in Canada for the first time, at the invitation of the province of Quebec. State legislators from the United States association of state legislators met, and all the Atlantic provinces were represented. It's clear that they were very supportive of a better, closer working relationship with Alberta. Indeed I would like to see that pursued even further. At this stage, I'm afraid I have to say that there is not money in this year's budget for establishment of that office, but it certainly merits further consideration in years ahead.

Mr. Chairman, I think I've dealt with the questions, perhaps not to everyone's satisfaction. If there's anything further, I shall be pleased to respond in addition.

MR. R. SPEAKER: Mr. Chairman, to the minister. One of the remarks I made earlier in this Assembly was with regard to ministers reporting back after making certain trips. The one that I would be very interested in is — is it Gangweon, Korea? From the comments the minister made earlier, I understand that it was agricultural products or production that was being looked at, and some type of an arrangement was being made. It wasn't clear to me what the minister was saying in terms of that.

I'd be very interested in observations of what the people are doing there, what kind of technology we could provide for them and they for us, and what kind of a food exchange could occur. Are we developing a market there for our nutrient products, such as alfalfa, grain products, et cetera, and/or are we setting up a reciprocal agreement of some kind so that the products from that country can be marketed here in Alberta? That wasn't clear to me in the minister's remarks.

MR. HORSMAN: Mr. Chairman, I believe the relationship commenced 10 years ago, when the hon. Dr. Homer was Minister of Agriculture. At that time, the government of Alberta agreed to provide breeding stock for cattle. Three representative

breeds of western Canadian cattle were supplied to a special agricultural farm which was established near Chunchon, which is the capital city of Gangweon province. That was the start of the program.

During my visit there late last November or early December, I visited that farm. It is regarded as one of the models of agricultural farms in Korea. As a matter of fact, the herd which I think had started out at 10 head each, including one bull, has now grown considerably, and that has developed very substantially by reason of the fact that farmers from across Korea are now using that agricultural farm as one of the key elements in the breeding and upgrading program for their cattle.

In addition, Mr. Chairman, although I don't have the exact figures, I do know that that has led to substantial numbers of live cattle being exported from Alberta to Korea as a result of a private-sector initiative, and that has been growing on an annual basis over the last several years. That type of approach has been particularly successful. In addition, we are finding new markets there, for barley and coal in particular, through the office in Tokyo, which is responsible for Japanese and Korean relationships. Those are amongst the items which receive a great deal of attention as far as Korea is concerned.

In my view, we have not held enough discussions with the government of Gangweon with respect to such things as cultural/educational exchanges and matters of that nature to the extent that we have, for example, with Hokkaido in Japan. I think those are matters that could very well be pursued in any future developments in our twinning relationship with Gangweon province. Those are some examples that I was able to observe myself. We held some additional and lengthy discussions as to how to bring about a greater exchange of cultural, recreational, and educational matters with the Republic of Korea. Those are some examples, and I hope that answers the hon. member.

MR. R. SPEAKER: Mr. Chairman to the minister, has the government of Korea returned a visit to Alberta in terms of a trade visit or investigation of our agricultural produce with the idea in mind of making purchases? That's one question.

The second question is, was the main objective of the minister's trip to Korea familiarization, or was there a package the minister was selling to the government at that point in time? Was there some type of verbal or written agreement that would be developed during the visit or following the visit? What was the major purpose of the visit at that time?

The other part of the question is with regard to the relationship with the federal government. I'm sure they have persons in Tokyo and Hong Kong; I'm not sure if they have a person in Korea or not. What type of work does the federal government do to follow up some of these trade opportunities for Alberta, or is the focus of their representatives central Canada, to the neglect of the west, and that's one of the reasons the minister has to take on the responsibilities that he has up to this point?

MR. HORSMAN: I guess the purpose of my visit last fall was multifaceted. Certainly, as a new minister, I felt it was important to visit the foreign offices which are located in Hong Kong and Tokyo and, as part of that, to familiarize myself with their operations. So in part it was familiarization in Korea, but also to explore ways in which we could expand upon the relationship in such areas as education, which includes universities' exchanges. As hon. members are aware, we have a growing Korean population here in Alberta and in Canada. In addition, I visited universities in Japan, Hong Kong, and Korea and presented their libraries with a wide variety of publications on

Alberta to add to their library holdings. Interestingly enough, just tonight we have a return visit of the president of one of the universities in Hokkaido province, Sapporo, visiting Alberta and in fact discussing with the University of Lethbridge how they can exchange professors in that particular relationship.

With respect to the role the offices play with the federal government's offices in Japan and in Seoul, Korea, our office role is not to compete in any way with what the federal government is doing but rather to complement the activities of the Canadian embassies, consulates, and trade offices. The reason is that all the Canadian posts must represent all of Canada, and we have to target what we have to sell with our own regional, cultural, and economic interests. We target in on those things which we have to sell in particular to promote our specific interests.

We are not in any way competing with the role the Canadian offices play. In fact each time I've visited, I've had nothing but the best kind of co-operation from Canadian embassy and trade officials with respect to my visits, nor have I had anything but good said about the role played by our agents and officials working co-operatively and in harmony with the Canadian government's offices abroad. It's very much a complementary effort but specifically targeted at selling and promoting what we have to sell and promote, and that includes agricultural products, energy products, and energy technology.

As well, I think it includes more emphasis upon cultural and educational exchanges. I could go on at some length as to what I think we might do in the future with respect to increasing the awareness of Canadians, and Albertans in particular, as to what should be done to improve our relations with countries in the Pacific Rim, not necessarily just from the perspective of trade but in learning about their culture and traditions and, in the long run, I think bringing about a greater degree of harmony and, in a modest way — I emphasize a modest way — by international friendship and understanding, bringing about a lessening of international tensions.

Quite frankly, I don't believe that just a few years ago we would have seen the type of arrangement between Alberta and the People's Republic of China which would permit us to fly a flag of this nature in the Alberta Legislative Assembly. It just would not have been possible. Yet it has happened, and I think it has happened successfully. I for one think that it has the support of all members of the Assembly, that we are able to move in these directions. I think that is one of the things this department is charged with the responsibility of carrying out, and I think we have much more opportunity to do that.

At the same time, I do think the hon. Member for Little Bow has made a very good point; that is, having made these trips, it is incumbent upon us to tell the members of this Assembly about the trips, what we've accomplished and, further than that, to then go and tell the people of Alberta what we're trying to do with our special relationships. That's why we put out this pamphlet, which we are distributing widely throughout the province of Alberta. That's why we're producing one to emphasize the relationship with Gangweon and one for Hokkaido. Then another one will be produced to emphasize the whole concept of the twinning relationships so we can make Albertans aware of what we are trying to accomplish in these areas. So that is a very, very good point. I do think we have a responsibility to report, and report we will.

MR. R. SPEAKER: Mr. Chairman, in terms of the 1984-85 fiscal year, could the minister outline some of the proposed travel that is on his agenda during this year, some of the goals the minister hopes to accomplish in terms of those travels? Or

has the minister completed the circuit through the offices, and it'll be more homework and less off-continent type of work this year?

MR. MARTIN: We miss you, Jim.

MR. HORSMAN: Mr. Chairman, I tried to deal with that somewhat in my remarks on the motion itself, when I spoke on the issue on April 2 and indicated that I have been invited to participate in the special twinning ceremonies in Gangweon in September. That has not yet been decided. I also mentioned that I had been invited to Heilongjiang, but that is unlikely to be accomplished before the end of the current calendar year, if at all. It might be possible some time in the early part of next year, although I'm told by our proposed hosts that the best time to come is not in January or February. But that has not been decided.

I did mention of course that it was my intention to visit and participate in this foreign investment seminar which will be held on May 16 in New York. The possibility exists that I might be attending seminars which will be held in the other foreign offices. But no final decisions have been made with respect to those particular visits.

One thing I should point out with regard to our U.S. offices in Los Angeles and Houston is that I think it is important that I visit those offices from the perspective of whether or not we should be increasing our relationships with United States' state governments. That's a relatively new development. Last fall I was invited to address the western state legislators' conference in Fairbanks, Alaska, to speak on the subject of Canadian federalism. That led to an invitation to participate in the conference which was held last week in Quebec City and, in addition, may lead to a further visit to the western state legislators' conference. I am not certain of the location, but that will be held somewhere in the western United States. By and large, that would encompass the travel I anticipate in the coming year.

MR. MARTIN: Mr. Chairman, just to move back to a couple of areas, and one quick comment. I knew the minister would give me the answer he basically did in terms of restraint. I would just say to the minister that everyone feels their needs are necessary at this time. I think that's the problem we're always grappling with.

To be a little more specific, one question on conferences and missions: could the minister give us an idea why that 54.5 percent? In other words, what conferences are being planned? There are obviously some on the drawing board to have that much of an increase.

The second area I want to follow up with the minister is that he rather quickly moved over proportional representation. I am sure he spent more time than that thinking about it. I understand why people in this province would not want proportional representation, because it is clear to us that the four of us got elected by, I believe, some 1,500 votes totally. So it would have been possible theoretically, without changing the percentage of vote — I believe some 38 percent of the people would not have voted Conservative — that they could have held every seat.

MR. NOTLEY: Just like China.

MR. MARTIN: Right. Regardless, at the provincial level I would like to just take a look at it and see if there is a better way.

Mr. Chairman, the minister alluded to his German experience. I am sure the minister would confirm that part of that

German experience, along with the elected Senate through the legislatures that he talked about, is also proportional representation, and that is meant as a basis. At least I am told that besides the Senate, proportional representation is one way to try to overcome, if you like, the regions — specifically the problems we have. If there is a better way, I would certainly be amenable. Something I have come to recently is that this country is going to have to have it, with all the friction we've had.

If there was proportional representation, perhaps rather than region against region, the idea would be parties against parties, hopefully different philosophies, which is what democracy is all about. It seems to me that there has to be some regional input. As the minister is well aware, we in the west have felt left out of decision-making because we have not wisely — or I could say both — elected Liberals. But if there were regional representation into all the parties — I'm not saying, Mr. Chairman, that that's the be-all and end-all — hopefully there would be a better reality of what the problems are in the regions. This would be one means, if you like, to have better regional input.

I am not suggesting just proportional rep. As the minister is well aware, we have advanced the House of provinces. I think both of those go hand in hand. Maybe the minister could correct me, but it is my understanding that that is the German experience. It seems to me that you have to look at both sides of the coin in terms of their experience. I am sure if you talked to the same people they would probably tell the minister that proportional representation works for them too. At least each person from Germany that I have talked has indicated that they believe in it.

I would just ask: in that proportional rep, was the minister dealing more from a personal viewpoint, or has there actually been discussion within his department, within the government? Is there a formal position of the government at this point, or is it something that has been put on the back burner and perhaps hasn't been discussed fully? Just to follow up those two questions with the minister.

MR. HORSMAN: Mr. Chairman, dealing with the last question first, I must admit that the comment was more of a personal nature than anything that has been under very careful and close scrutiny by the government. So it was more my personal opinion than the subject of intensive government discussion.

We could discuss at some length the German experience with proportional representation. Some of it has been extremely unfortunate. Hon. members will be aware that proportional representation, as it existed in the '20s, is what brought Hitler to power. I say it from this perspective: it's hard for me to understand how it can be grafted onto a British parliamentary system. I think that's a very major stumbling block. It's certainly worth debate, but at this stage that is the view that I hold to. I think that is as far as we might want to go in that debate this evening. There is really nothing in the estimates that I could add beyond that.

On the subject of why the increase, I thought I dealt with that. There is \$100,000 in unconditional grants included in this year's budget, which are going to be aimed primarily at promoting Canadian studies, seminars, or that type of thing, particularly in the U.S., and perhaps in other parts of the world where there is an interest in that area. There are four \$25,000 conferences, if you will, for investment seminars, the first of which will be held in New York. That will come to \$100,000. The additional \$100,000 is unallocated as yet but is designed to promote the twinning relationships. So that is the increase of \$300,000 that's involved in that particular element. It hasn't been finalized as yet, except from the point of view that it

would be my intention to recommend that each of the foreign offices have \$25,000 to promote Canadian studies, or that type of activity, within their particular areas of influence. So those are the areas where the increases will take place. I thought I had made that clear but, if not, I am pleased to do so now.

MR. NOTLEY: Mr. Chairman, I have one or two quick questions. I don't want to focus this debate on proportional representation, except to advise that I am sure history will show other reasons than proportional representation for the rise of Nazi Germany. Unemployment might have been an even greater reason.

But on that issue I think we should just note in passing that we had a form of proportional representation for many years in this province. It existed until about 1956 or '57. It was in the two cities of Edmonton and Calgary. We had a single transferable ballot, but it was also on the basis of a form of proportional representation. I might just add that the Chief Electoral Officer has just put out — I'm sure members have received their book outlining every election since the inception of Alberta. Back in the days when the Conservative Party drew the popularity it merited in this province, namely not much, the only reason there were any Tories in the House was because we had Percy Page elected in Edmonton on the basis of proportional representation and Paul Brecken elected in Calgary, two very distinguished members but there by proportional representation.

So I don't think we have to go to Germany or Sweden or Switzerland or Israel or various other countries to look at the example of proportional representation. I just leave that with the minister; I think there are other places where we can debate this issue. What I think is important about Germany is that Germany has a blend of proportional representation and single-member elections. That sort of combination is one that I think we frankly have to look at and see whether it can be grafted onto the parliamentary system.

Mr. Chairman, the reason I rose was not to talk about proportional representation but to ask the minister what role the Department of Federal and Intergovernmental Affairs, through the New York office in particular, is playing in terms of ongoing monitoring of political developments in Washington? I think we all concur that we have to make every effort possible to expand trade beyond our continent. As I mentioned when we had the ministerial statement, certainly opening up the Chinese market has been something that all the major parties over the last 25 years have played a significant role in, in what is now a situation that is quite promising but not so promising that we can rest on our laurels. Because of President Reagan's trip to China, it's obvious that the Americans are as anxious as we are to penetrate that enormous market.

But I want to come back to this continent, Mr. Chairman, and ask the minister if he would advise the committee what the role of the department is with respect to monitoring Washington political moves. We have the obvious issue of natural gas pricing. We have another issue and that is the question of lumber imports. I raised this during the Minister of Energy and Natural Resources' estimates, but I raise it in relationship to Federal and Intergovernmental Affairs too. Considering the importance of the lumber industry in Alberta, what is the ongoing process by which we monitor the moves of the U.S. Congress in particular, and what role specifically is played by the New York office?

MR. HORSMAN: Mr. Chairman, the New York office has two primary functions. Obviously the energy issue which has been concentrating primarily on monitoring the proposals which

were before Congress relative to natural gas imports into the U.S. occupied a very great deal of the time of the Agent General for New York during that particularly difficult time. Then of course there's the issue of lumber. That issue had been dealt with satisfactorily I think, insofar as the action had been brought against Canadian exporters into the U.S. The danger is always there of course that countervail action may be brought again. In that particular case we played a co-operative role with the other provincial governments and the government of Canada in opposing the actions which were proposed by U.S. lumber producers. We were kept fully informed and aware of it, but we did not take the lead in that particular issue. Certainly we were fully advised and kept informed during the course of that particular issue.

With respect to other roles, obviously it's important that the New York office attempt to keep government here advised as to what is taking place in an election year and what policies are being espoused by various candidates for offices, not just the presidential offices but also some of the key congressional leaders, some of whom have been very good friends of Canada and Alberta, some of whom have not always seen the interests of Alberta and Canada. So obviously there is an intelligence role to be played there as to how well certain individuals may be doing in their quest for election or re-election. So that's something that one would expect would happen.

Monitoring congressional initiatives and administration actions which may have an impact on Alberta and Canada is done by staff there. I might add that the staff in New York is very small. There are only four people there: the Agent General, one assistant, and two secretaries. So they have a very major role to play in giving us information. Being in contact with the financial community in New York is also a function which is performed by the Agent General.

In answer to the hon. leader's question, I guess there are really three things: one, monitoring specific initiatives relative to natural gas; next, monitoring other issues which may be initiated either in Congress or by the administration relative to other matters which may affect Alberta, such as the issue of red meat imports, for example; the other area is to be in touch with the financial markets in the United States and to try to monitor what is happening there with regard to availability of funds. Fortunately we have not had to make great calls upon the U.S. financial markets. Nonetheless we should be aware

of who the people are and, of course, we have retained financial advisers there relative to the U.S. financial markets.

So those are really the three key elements for the New York office. As I indicated, there are only four people, so they have a lot to do, a lot on their platter. I hope that answers the question of the Leader of the Opposition.

Agreed to:

1.01 — Minister's Office	\$244,346
1.02 — Administrative Support	\$667,410
1.03 — Intergovernmental Affairs	\$1,926,139
1.04 — Alberta Offices	\$2,465,587
1.05 — Conferences and Missions	\$537,500
Total Vote 1 — Intergovernmental	
Co-ordination and Research	\$5,840,982

Department Total \$5,840,982

MR. HORSMAN: Mr. Chairman, I move that the vote be reported.

[Motion carried]

MR. HYNDMAN: On behalf of the hon. House Leader, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

Resolved that funds not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1985, for the Department of Federal and Intergovernmental Affairs: \$5,840,982 for intergovernmental co-ordination and research.

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

HON. MEMBERS: Agreed.

[At 10:06 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]