

## LEGISLATIVE ASSEMBLY OF ALBERTA

## head: INTRODUCTION OF BILLS

Title: Monday, October 29, 1984 2:30 p.m.

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

## PRAYERS

[Mr. Speaker in the Chair]

MR. SPEAKER: Although an alternate arrangement following the tragic loss of our Leader of the Opposition should not be made with inappropriate haste, there are some matters which are of immediate concern because of the House being now in session. One of these is the custom of recognizing the Leader of the Opposition, or the leader's representative, for the first two questions in each question period. Hon. members of the opposition have indicated that they wish me to deal with that matter. It would seem appropriate that that privilege should alternate for the time being. Hence, having recognized the hon. Member for Edmonton Norwood for the first two questions on Friday, I propose that today the hon. leader of the Independents be recognized for that purpose.

There is a fairly recent provision in the *Standing Orders* of our parliament whereby this House gives the Leader of the Opposition the right to designate certain business of the House for preferred attention. There are still other matters, such as the time limit for speeches. The hon. members of the opposition have indicated to me that these other special prerogatives of the Leader of the Opposition might be left in abeyance for the time being.

The present situation and the reason this House has at present no Leader of the Opposition are, fortunately, without precedent. Hence, it seems reasonable that an adequate interval should elapse for the opposition members to prepare and make known their views regarding the unprecedented situation in which the House finds itself. It has been indicated to me that that interval should extend to the end of this week. I hope that shortly thereafter at least a longer term solution may be found by this Chair, with the assistance of the members of the opposition.

head: PRESENTING REPORTS BY  
STANDING AND SPECIAL COMMITTEES

MR. MUSGROVE: Mr. Speaker, a report by the Standing Committee on Law and Regulations. On May 31 the Assembly passed a resolution instructing the Standing Committee on Law and Regulations to take under consideration, in general terms, the reports issued by the Institute of Law Research and Reform and report to the Assembly as to which reports of the institute the committee recommends be referred to it for detailed study. Pursuant to those instructions, the committee recommends to the Assembly that the reports of the Institute of Law Research and Reform on the topics listed in the report be studied in detail by the committee.

## Bill 69

## Municipal Taxation Amendment Act, 1984

MR. KOZIAK: Mr. Speaker, I request leave to introduce Bill No. 69, the Municipal Taxation Amendment Act, 1984.

There are a number of provisions to this Bill which affect the principles by which property is assessed for property taxation purposes in the province. However, I would like to highlight one of those; that is, the implementation of my recent announcement of the new policy on machinery and equipment assessment in this province, which responds to the government's white paper on industrial and science strategy for the years 1985 to 1990, and specifically to the request that property taxation and assessment not act as a disincentive to industry siting in the province.

With the amendments proposed in Bill 69, it is my expectation that the changes will assist in decisions to be made by manufacturing and processing plants in establishing in the province and also in expanding their investment, by virtue of machinery and equipment, in the province.

[Leave granted; Bill 69 read a first time]

## Bill 74

Municipal District of Clearwater No. 99  
Incorporation Act

MR. CAMPBELL: Mr. Speaker, I request leave to introduce Bill No. 74, the Municipal District of Clearwater No. 99 Incorporation Act.

The purpose of this Bill is to allow the residents of Improvement District No. 10 to become a municipal district and obtain full responsible government.

[Leave granted; Bill 74 read a first time]

## Bill 76

## Utilities Statutes Amendment Act, 1984

MR. McPHERSON: Mr. Speaker, I wish your leave to introduce Bill No. 76, the Utilities Statutes Amendment Act.

The three objectives of this Act are: firstly, to restrict the provisions of certain sections of the Public Utilities Board Act and the Gas Utilities Act to "real" public utilities and gas utilities, as designated by the Lieutenant Governor in Council; secondly, to provide for retroactive approval of all transactions that occurred pursuant to those particular sections; and thirdly, to provide for the appointment of a vice-chairman and for the right of the chairman to designate any member to preside or to conduct any meeting of the board or division of the board.

[Leave granted; Bill 76 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bills 74 and 76 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

## head: TABLING RETURNS AND REPORTS

MR. BRADLEY: Mr. Speaker, I would like to file with the Legislature Library copies of the executive summary and the technical report of the Twin Butte Soils and Water Evaluation Task Force.

MR. WEISS: Mr. Speaker, I beg leave to file copies of the Early School Leavers in Northern Alberta workshop, completed by the Northern Alberta Development Council. All delegates,

as well as the various government departments, have been supplied with copies.

MR. FJORDBOTTEN: Mr. Speaker, I beg leave to table the 1983-84 annual report of the Alberta Agricultural Development Corporation and the 16th annual report of the Alberta Hail and Crop Insurance Corporation for the year ended March 31, 1984.

MR. BOGLE: Mr. Speaker, as required by statute, I wish to table Sessional Paper No. 109, the Gas Alberta Operating Fund financial statements for the year ended March 31, 1984, and the supplemental report of the Gas Alberta Operating Fund for the year ended March 31, 1984.

MR. MILLER: Mr. Speaker, I would like to table four copies of the first annual report of the Advisory Committee on Heavy Oil and Oil Sands Development.

#### head: INTRODUCTION OF SPECIAL GUESTS

MR. KING: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Assembly, 45 people who are seated in the members' gallery this afternoon. They are, particularly, 14 students from the Federal Republic of Germany who are visiting Edmonton as part of a student exchange that is sponsored by the Edmonton/West Germany Student Exchange Society. Other than the 14 guests from out of province and out of country, we have the students with whom they are staying during their visit, as well as supervisors, particularly Mr. Ron Evans, who is the president of the society, and Faye Gronemeyer. Thirteen of our visiting students are from the province of Hessen in West Germany, and one is from Nordrhein-Westfalen.

They are visiting Alberta for three months, attending school and learning as much as they can about the province during their visit. Their hosts, the Alberta students, will return to the Federal Republic of Germany in the spring of 1985 and study and learn about West Germany during the months of April, May, and June.

I think it's always a special pleasure for us to have visitors from the Federal Republic of Germany. They may wish to know that seated in this Assembly we have the first postwar immigrant to Canada who was successfully elected and appointed to a cabinet position in any of the legislatures or the House of Commons of Canada, the Hon. Horst A. Schmid, who is our Minister of International Trade.

All of us would like to welcome the students from West Germany and their hosts. I ask them to rise and receive the warm welcome of the Assembly.

MR. SCHMID: Mr. Speaker, I would like to introduce to you, and through you to members of this Assembly, 55 really fine and outstanding young students from Holyrood elementary school. To me the Holyrood school is one of the best we have in Alberta, for many reasons. Last year they had an outstanding arts exhibition; the year before, an exceptional science fair with exhibits in literally every room of the building. The school also has two immersion programs, one for French and one for Ukrainian. As well, I just found out that the father of one of the students is in this Assembly, namely the Hon. Dave King, Minister of Education. Therefore I am delighted to be the M.L.A. for Edmonton Avonmore, in which the school is located. I ask the students to rise in the public gallery and receive the welcome of this Assembly.

#### head: ORAL QUESTION PERIOD

##### Child Welfare Review

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Social Services and Community Health. In the past four years at least four major studies have been done by the department: the Catonio report of 1972; the Ombudsman's report of 1981; Cavanagh, 1982; and the Thomlison report, just completed. Could the minister indicate whether further major studies in this area of child welfare are being contemplated by the department at this time?

DR. WEBBER: Mr. Speaker, there is no consideration being given to any further studies at all. As the hon. member knows, we had the Cavanagh Board of Review report, which did a very thorough review of the child welfare system in Alberta. From 1980 to 1983, they had hearings across the province and received input from the public and made many recommendations. I received that report in the fall of 1983, I believe in September. We introduced Bill 35, dealing with child welfare, into the Legislature, and that Bill died on the Order Paper. Copies of that Bill as well as of the Cavanagh Board of Review report were sent out across the province, and we received an excellent response to that.

The hon. member will recall that in the spring of this year we put in a new Bill. That Bill was passed and is expected to be proclaimed on July 1, 1985. In the meantime we are developing regulations and putting into place policies that will accompany the foundation that was laid by the legislation. That's an ongoing process now.

MR. SPEAKER: With respect to the hon. minister, I was wondering when we might get to the topic of further reports. We seem to have gotten away from the purport of the question.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. My area of concern is between now and July 1985. Could the minister indicate what steps are being taken immediately to meet some of the recommendations of those very serious reports?

DR. WEBBER: Mr. Speaker, the hon. member should know that a lot of the recommendations of the Cavanagh Board of Review have been carried out. That particular review was a review of the child welfare system going back to the early '70s. The concerns that were expressed relative to educational qualifications of child welfare workers were addressed in the 1971-72 time period, with a real initiative put forth in terms of upgrading the qualifications of child welfare workers. I have made the results public in the response to the recent Thomlison report.

There are a number of other initiatives that have taken place in the last several years. I consider the Thomlison report to be a supplement to the Cavanagh Board of Review report in the sense that the Cavanagh Board of Review dealt very broadly with the whole field of child welfare, whereas the Thomlison report focussed on the case management, the handling of cases by the child welfare worker. There were a number of recommendations made by Dr. Thomlison and, as was obvious in the response to that report, we have put some time lines on them. We intend to implement others on an ongoing basis between now and next July.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate what steps have been taken to imple-

ment an annual review of the care given to all permanent wards? Is the minister taking immediate steps in that area?

DR. WEBBER: Mr. Speaker, the recent report that we received made some recommendations in that regard. We have initiated action in terms of immediately reviewing all the permanent wardship cases in the northwest region, and in just a few days we will have criteria in place with regard to a full review of all permanent wardship cases throughout the entire province.

I don't recall any specific recommendations relating to an annual review; however, there were other recommendations with respect to how child welfare supervisors should be involved in handling cases for which they have responsibility as child welfare supervisors over the child welfare workers.

Mr. Speaker, I could make a number of other comments on that topic, but I think that answers the hon. member's question.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate what steps have been taken to develop a wider range of alternate care facilities in the province? Are steps being put in place to look at alternate care facilities as well?

DR. WEBBER: Mr. Speaker, in terms of recommendations relative to the care of children who come to us as a result of apprehensions or otherwise, we are fully reviewing the whole area of foster homes in terms of youngsters being placed there — to give consideration to other kinds of living situations if they've been moved more than two or three times. The whole area is under review, and alternate care is one of those. I will very shortly meet with the Foster Parents Association to discuss these matters. I have had meetings with the Metis Association of Alberta, as well as other Metis representatives. We are working on this particular matter.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate what steps are being taken to develop a system of staff appraisal, based on actual casework performance of the staff in the department, relative to the cases we've discussed?

DR. WEBBER: Mr. Speaker, if the hon. member referred to the response I released just a short time ago, I think he'd find a partial answer to that particular question. There are annual staff appraisals in place right now in terms of all child welfare and social allowance workers in the system, and they have been in place for some time.

One area we are giving close consideration to is an audit of child welfare files, on a spot-check basis, to see how they have been handled. We're now giving consideration to how that audit would be carried on, whether it would be an internal or an external audit. There is an elaborate child welfare appraisal system in place, and it has been in place for some time.

MR. R. SPEAKER: Mr. Speaker, a final supplementary question in this area. In terms of the questions I've asked, could the minister indicate when there will be a formal report to the Legislature on the review and study that the minister is doing and on the implementation of policy, programs, and staff requirements in the areas I've outlined? When will that be reported to the Legislature? Will we have a report this fall, or do we have to wait until next spring?

DR. WEBBER: Mr. Speaker, I really don't know where the hon. member has been for the last two years. We have been

giving reports to the Legislature on a regular basis, in terms of questions from the hon. member himself and from other members in this House. I will continue to provide responses to how the recommendations have been followed up, not only with regard to the more recent one but in particular the Cavanagh Board of Review. If the hon. member would examine this carefully, I think he would find that the legislation we have now incorporates nearly all the recommendations of the Cavanagh Board of Review. I indicated that we are in the process of developing regulations. Those regulations are going to come under the scrutiny of external agencies and groups. If the hon. member would like to ask questions on a continuing basis, I'd be happy to provide him with any response he wants.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. What concerns me is the delay attitude in terms of what's going on here. We have a minister of unemployment saying that we accept 6 or 7 percent unemployment in this province.

SOME HON. MEMBERS: Question.

MR. R. SPEAKER: My question to the minister is: what percentage of tragic cases such as the Cardinal case is the minister willing to accept while this study and review is going on, without some immediate action being necessary in this Assembly?

DR. WEBBER: Again, Mr. Speaker, the hon. member has either been asleep or not paying attention. I think the response has been very quick. I don't know of a report in the Legislature we've reacted to as quickly as the Cavanagh Board of Review report. It was brought in in the fall of 1983, and less than a month and a half later we introduced legislation reflecting many of the recommendations of that report.

Certainly the situation with Richard Cardinal was a tragic case, but I don't want the public or the hon. member to think that such a tragedy could never happen again. Even in what appear to be the best of families, tragedies occur. I don't know how the hon. member could expect that the government could be any better as a parent than the parents of our children in this province. There's no way we could guarantee that there won't be tragedies in the future.

That having been said, however, we are on the road and have made significant progress to developing what is, in my mind, one of the best child welfare systems in this country.

DR. BUCK: Mr. Speaker, a supplementary question. In speaking to caseworkers, they are finding that their load is becoming very, very heavy and, in many instances, almost unbearable. In his discussions with his cabinet colleagues, who are now looking at the budget process, is the minister in a position to indicate to the Assembly that we're going to be able to assure these people who are in the field that there will be assistance for them, so the caseload per caseworker can be lowered?

DR. WEBBER: Mr. Speaker, during the period 1981-82 there was a significant effort in getting a large number of child welfare workers into the system, which I believe significantly helped those in the system with their caseloads. Also the Cavanagh Board of Review report indicated that if the government were to implement their recommendations, they thought there would be a resulting reduced caseload for child welfare workers in the province. If the member would recall, they also indicated that there could probably be some savings in terms of funding as a result of that. But they recommended that those funds be

used in a preventative way, so we could try as much as possible to prevent children from coming into our care. I don't know what else I could add other than that, Mr. Speaker.

#### **Administration of Justice**

MR. R. SPEAKER: Mr. Speaker, my second question is to the Attorney General, with regard to the Irving report set out by the Canadian Bar Association. I am wondering if the minister could indicate whether the government would be prepared at this time to call a public inquiry to investigate the matter of political interference in the department, in light of the fact that a number of the public are concerned; specifically, the Criminal Trial Lawyers' Association is concerned that, first of all, the report is inadequate and, secondly, the committee did not have the authority to actively investigate the department.

MR. CRAWFORD: Mr. Speaker, the principal spokesman for the legal profession in Alberta is either the Law Society or the Alberta section of the Canadian Bar Association. That is so in all the provinces in the same way.

The Alberta section of the Canadian Bar Association took under advisement the question of the requests being made of the government earlier this year for a public inquiry and concluded that the matter could well be handled in quite another way. That was through the committee work that was done throughout the spring and that was reported to the Canadian Bar Association in September. They reported to me shortly thereafter.

The result of the work that was done and the work that was presented to me by the Alberta section of the Canadian Bar was a wide-ranging report of considerable merit, in my view, and one that made a number of recommendations and suggestions. I think those are going to be of some considerable value in developing the future course of the administration of justice.

The other question, of whether or not there might yet be an inquiry, was one that I do not think the committee wanted to have an involvement in. I can't speak for what their view might have been, but I think there's now a general view that that's a dead issue.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Attorney General, on not considering a public inquiry. In terms of some of the questions not answered in the report, can the minister indicate the reasons the department must hear of cases involving government employees, notably those which would create public controversy? My understanding is that a memo to that effect went to various persons, and that was not covered in the report. Could the minister indicate why that procedure is still in place?

MR. CRAWFORD: Mr. Speaker, earlier this year there was an amendment to that particular directive.

I should say to the hon. member that the way the matter is being reviewed is that all the observations and recommendations made by the committee referred to are at the present time being examined by working groups within the department. Although the specific matter the hon. leader referred to is one that he said was not dealt with, my recollection is that the report dealt in a variety of ways with the question of directives on policy. Having done so, we are of course examining all their recommendations. They included the observation that there were probably too many directives, and they were in too great detail. I think that's something that happens in government from time to time, Mr. Speaker. It seems to have happened there, and I accept that criticism when it's made in that way.

Much of the study of the report that is being done at the present time — and the working groups within the department that are studying all the recommendations are dealing with that concern.

MR. R. SPEAKER: Mr. Speaker, could the hon. minister indicate when there will be a report to the session with regard to progress on the report and the recommendations?

MR. CRAWFORD: Yes, Mr. Speaker. I think that's an important question. I agree with the hon. member that addressing the matter should not be unnecessarily delayed. At the same time, having gone through the process which was begun quite early this year and which the committee found took them until the early fall for their study, I think it's important that we have sufficient time to have the input of the people within the department and in particular the new Deputy Attorney General, who just assumed office a matter of a month or so ago.

Having said all that, Mr. Speaker, my feeling is that as we now approach the beginning of November, we would probably have a full set of conclusions by the end of the year. As well, I am considering a further consultative process that would involve interests outside the department, one might say. I want to describe the process to the hon. member in this way: we now have the input and the recommendations; we are doing our own in-house examination. I think the Canadian Bar itself, one of the recommendations of which was that there be a continuing consultation committee, could well be involved in yet a further re-examination of what our conclusions would be.

I think that's all a step-by-step proposal which, in the final analysis, will prove to be very useful. My hope is that very early in the new year, if these other steps are also taken, we will have published an entire response to all the recommendations.

#### **Construction Labour Relations**

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Labour, and it has to do with Mr. Justice Stratton's ruling last week. My question is, has the minister assessed whether this decision now changes the traditional role of collective bargaining as we know it in the province?

MR. YOUNG: Mr. Speaker, on an assessment of that nature, I think it can be said that there does not appear to be that much of a change. What we have is an interpretation of a statute, an area that had not been tested before. It obviously is one of great controversy, and it is clearly a reversal of a Labour Relations Board decision. But I think it fair to say that the narrow issue had not been put in question before. That is the response directly to the question.

MR. MARTIN: A supplementary question, Mr. Speaker. In view of the Stratton decision and that small point he talked about, has the minister any plans in place to introduce remedial legislation which would make such a ruling legally impossible?

MR. YOUNG: Mr. Speaker, the situation of that particular decision is that it applies primarily to the construction industry. My commitment to that industry, to union leaders and contractors as well as owners, has been that prior to introducing any legislative change, we would hope for their advice through the advisory council, which is just in the process of being completed. I do have a meeting with some union leaders later this week, and I imagine I'll shortly be meeting some construction leaders as well. But I would prefer to be able to stay with the undertaking given to them that if it were possible, we would

await the recommendations of the tripartite committee which will shortly be formed in the manner recommended by the industry representations I have received.

Perhaps I could add to my previous answer. Although I'm not certain this can be generalized over every situation, it appears that the bargaining will not be greatly affected by this decision, in that the parties had proceeded in a certain manner, and I do not think that will change greatly. At the bottom line for this round of bargaining, the difficulty is an economic situation of that industry. It's not going to be resolved by court decisions or Labour Relations Board decisions but rather more directly, at the bargaining table between the parties concerned.

MR. MARTIN: A supplementary question, Mr. Speaker. Recognizing that it is a technical point, as the minister said, the reality for at least some people is that they feel it has been changed. Given that workers who strike may not unilaterally return to the job and enforce their terms and conditions of employment — so it seems to me there is an imbalance — is the minister prepared to do anything about this imbalance for the time being, until it goes to the Supreme Court?

MR. YOUNG: Mr. Speaker, I think I've already alluded to the fact that the statute in question has been in place for about a dozen years, has remained unchanged for that period of time and has not been challenged on this point during all that time. In my judgment, the challenge comes about now only because of economic circumstances and failure on the part of all the parties to be able to come to a collective agreement.

The question raised is as to whether that is an imbalance that should be righted. I suppose that's a subjective issue, depending upon where one is in the bargaining framework. I do not think it would be possible to legislate or otherwise force an agreement upon the parties at this time. They must have and must accept the responsibility for coming to their own resolution. We continue to try to assist them, Mr. Speaker, and I hope the advisory committee will be yet another forum in which positive approaches can be taken to the issues before the parties. There has been some progress made in one or two sectors in the industry, and it's not clear to me whether that will be a pattern which others in the industry may follow.

MR. MARTIN: Mr. Speaker, I suggest it's not subjective. The fact is that Mr. Stratton says they can lock out for a day and change the rules of the game.

My supplementary question has to do with bridging. Have the minister or his department looked at any legislation for the time being which would clarify and reaffirm the role of bridging clauses, so employees need not be subject to this type of arbitrary action?

MR. YOUNG: Mr. Speaker, when we come to bridging, that's a slightly different question. As a consequence of other court interpretations, it is my understanding that bridging clauses are possible and valid. But it is the nature of those bridging clauses that they are valid and extend only to the point where either party can precipitate a conclusion to the bridging clause. Usually that conclusion is either by a strike or a lockout. That is the standard form of conclusion.

To the degree that there is an apparent impossibility of the parties to come to an agreement in the short run and one wishes to force an action, then it can happen either by lockout or strike. At the moment we have had both in the construction industry this year.

MR. MARTIN: Recognizing that lockouts and strikes are part of collective bargaining, the point is that under a strike they

could not come back and unilaterally change that particular agreement.

My supplementary question to the minister. He said that in the construction industry, he sees it as a problem in this area because of the economic times. As a result of Mr. Justice Stratton's decision, is it possible that employers outside the construction industry could take advantage of this decision to avoid bargaining with their employees' union after an agreement has terminated?

MR. SPEAKER: It would seem to me that the hon. member is asking for legal advice as to what the legal ramifications or implications of a decision of a court might be — asking the hon. minister to give a legal opinion in that regard. Perhaps it could be sought otherwise, or perhaps the question could be recast in the event that that's not the purport of it.

MR. MARTIN: Mr. Speaker, on a point of order. I wasn't asking for a legal opinion. This is in fact going on in the construction industry.

I'll phrase my question this way: has the minister received any indication that employers outside the construction industry will be taking measures based on the Stratton decision to avoid bargaining with their employees' union?

MR. YOUNG: Mr. Speaker, I don't think I can respond that I have received any particular indication that that's going to go on outside the construction industry. I want to be very clear here that we have a variety of scenarios within the construction industry. We have had some short-term lockouts, and then opening of businesses to employees who wanted to come back at the terms established. We have had strikes, and the employers again opening their businesses to employees who wished to work at the terms established. We have had other situations in the road construction industry, where in fact the relationship has endured now for some 18 months, I believe — it's over a year, in any event — without any collective agreement. That followed on a strike, which produced the unusual situation of most of the employees coming back to work. Outside the industry, we've obviously had a situation in which there has been a disagreement, and the operations continue at full capacity.

I think it's very difficult to generalize from the hon. member's question, Mr. Speaker, and respond any more definitely than that. There are just a variety of different factors in every situation.

MR. MARTIN: A supplementary question, Mr. Speaker. Recognizing that it is happening in the construction industry because of the economic conditions, as the minister alluded, my question is: if we follow this ruling, am I correct in that nothing in the labour Act indicates that people outside the construction industry could follow the same path as people in the construction industry?

MR. YOUNG: Mr. Speaker, I hesitate to give that legal opinion either, because the construction industry is in fact very unique. In this situation, there was the question of the involvement of registered employer organizations, which is unique to the construction industry. That adds another particular facet to this question which wouldn't be found in other circumstances, other sectors of collective bargaining.

MR. MARTIN: A supplementary question to the Minister responsible for Personnel Administration, Mr. Speaker, if I can get his attention over there. Could the minister indicate if the recent decision by Justice Stratton has any implications in terms

of bargaining with government employees? Has his department assessed this at all?

MR. STEVENS: Mr. Speaker, the legislation is completely different. The public service comes under the Public Service Employee Relations Act, and that legislation provides for a contract to continue in full force and effect. Just as there is no ability for the employer to lock out, nor is there an ability for the employees to strike.

#### Federal Court Ruling

MR. SZWENDER: Mr. Speaker, my question to the Minister of Utilities and Telecommunications is with regard to the AGT/ET telephone issue. Could the minister indicate to the Assembly whether the Federal Court of Canada has made a ruling on the Alberta Government Telephones/Canadian National-Canadian Pacific interconnect case?

MR. BOGLE: Mr. Speaker, Madam Justice Reed of the Federal Court of Canada, Trial Division, has ruled that the Canadian Radio-television and Telecommunications Commission does not have regulatory jurisdiction over Alberta Government Telephones and will issue a writ of prohibition preventing the CRTC from hearing the application by CNCP Telecommunications for interconnection with AGT. Although Madam Justice Reed found that AGT was not a local work or undertaking within the exclusive jurisdiction of the province, she did find that the CRTC did not have the jurisdiction to regulate AGT, as AGT is an agent in right of the Crown for the province of Alberta.

DR. BUCK: Why didn't you just make that a ministerial announcement?

#### Hunting Licences

MR. MUSGROVE: Mr. Speaker, my question is to the Associate Minister of Public Lands and Wildlife. Considering that Alberta is interested in attracting tourism, why did the department recently increase the licence fee for upland game birds so dramatically, in particular to nonresident hunters?

MR. SPARROW: Mr. Speaker, the basic change, to increase fees, was primarily due to an additional fee for pheasants. I believe all the other fees were left as they were previously. We very definitely want to encourage tourism. If that increased fee is creating a hardship, we will review it. I'm sure no other province in Canada has a pheasant facility like the one we have, and that's primarily why we increased the fee.

MR. MUSGROVE: A supplementary question, Mr. Speaker. Would the minister also consider reviewing the fact that non-resident licences become effective one week after resident licences are effective?

MR. SPARROW: Mr. Speaker, that is a fact. Residents do gain one week on all nonresidents. We'll be reviewing all our fish and wildlife regulations with reference to the new Act, and that undoubtedly is considered when the regulations come forward each year.

DR. BUCK: Mr. Speaker, my question is also to the Associate Minister of Public Lands and Wildlife. Can the minister indicate what directives his department has given the county of Strathcona as to what mechanism will be in place to reduce the overpopulation of deer in the county? Can the minister indicate

what policy directives have gone from the department to that jurisdiction?

MR. SPARROW: Yes, Mr. Speaker. Upon request from many residents and discussions with the county council, a special quota hunt has been approved for the Strathcona area. That hunt was designed looking primarily at the public-safety features of the area, the landowners' rights, and the overall concerns for the deer herds. There has been an excessive number of accidents in the area, with cars hitting deer. Three five-day hunts will be allowed this fall.

DR. BUCK: Mr. Speaker, can the minister indicate to the Assembly, and especially to the people affected, what limitation there will be as to the quality of hunters? As a point of explanation, many people are concerned that this is sort of going to be an open season, and anybody who can carry a bottle of rum and a rifle is going to be able to hunt. The question I ask very seriously is, what limit will there be on the quality of hunter that will be in this heavily populated area? What type of equipment will they be restricted to?

MR. SPARROW: Mr. Speaker, a lot of attention was given to this. Number one, the hunter will have to have a valid hunting certificate. He will have to receive permission from the specific landowner on whose land he wants to hunt. There's a restriction that no hunting will be allowed on parcels of fewer than 20 acres. The size of shot: shotguns no smaller than a .410 gauge, using slugs in all your shotgun shells, will be used. So the quality of the hunt should be controlled, not only by the landowner, as to who he allows, but no rifles will be allowed; shotguns using slugs will be the prime method of hunting.

DR. BUCK: Mr. Speaker, a supplementary question. Has the minister or the department given any consideration to having just professional hunters, the same as culling the herd in Elk Island park? The people in that jurisdiction hire professional hunters to cull the herd. Has any consideration been given to this type of approach rather than the lottery type of approach, open to just any hunter?

MR. SPARROW: Consideration was given to that, and it was decided against using our officers, for instance, to reduce the herds. We thought this was definitely a hunting opportunity for many of the citizens in the area. I can assure the hon. member that we have a lot of good hunters who will respect the rules and regulations out there. The landowner can control who he allows on, because he has to give permission in writing prior to their getting a permit.

DR. BUCK: Mr. Speaker, can the minister indicate to the Assembly and to me what studies have been done as to what effect the restricted bow season had on the reduction of the deer herd in the area? Has that been effective or has it been a failure, and is the minister considering — well, I'll ask those two first, Mr. Speaker, and then go on to the other ones.

MR. SPARROW: Mr. Speaker, bow hunting has been allowed throughout the province. The number of deer has been very rapidly increasing in the last several years, and the number of bow hunters hasn't been increasing at the same level. We have never been able to maintain that area with just bow hunting, as bow hunters like to go after other types of animal besides deer.

DR. BUCK: Mr. Speaker, a supplementary question. Can the minister indicate at this time or at a future date if any studies

have been done as to varying the season in this special area to see if they could get a larger harvest using bows and arrows?

MR. SPARROW: I don't know of any specific study that was done. I can take that and check with the department. It may be very valid that an extension of the season would be a further asset. We will judge the existing hunt to see whether it maintains a cutback as planned.

MR. SPEAKER: Before calling Orders of the Day, perhaps I could draw attention briefly to a question and answer which got by the Chair a while ago concerning the contents or purport of a judgment out of the Federal Court of Canada. Of course that's not the kind of question that is designed for the question period, since judgments of courts are notably public information.

## ORDERS OF THE DAY

### head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Would the Committee of Supply please come to order?

head: ALBERTA HERITAGE SAVINGS TRUST FUND  
CAPITAL PROJECTS DIVISION  
1985-86 ESTIMATES OF  
PROPOSED INVESTMENTS

### Department of Agriculture

#### 1 — Farming for the Future

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

MR. MARTIN: I wasn't here the other day. Perhaps some of this has been discussed, and I apologize if that is the case. It has to do with Farming for the Future and a statement that was attributed to the minister — I don't have it here, but it was in the recent *Journal*; I don't want to put words in it — about the fact that Farming for the Future had been successful but the government was going to look more to private concerns. The impression left, at least in that particular article, was that there may even be a cutback by the government in terms of this research in future years. I would like the minister basically to update us on what he was saying at that conference — if this is the case or if it was taken out of context — because it seems to indicate somewhat of a discrepancy from what the white paper is saying. I would appreciate it if he could update us on that.

MR. FJORDBOTTEN: Mr. Chairman, as usual it was taken somewhat out of context. The concern raised the day Farming for the Future met was that they wanted more emphasis or some consideration for long-term research projects. Farming for the Future was designed for short-term research projects, ones that would give a benefit to producers immediately and not 10 years down the road. A number of projects in Farming for the Future were transferred to the department because they had a longer term process. Farming for the Future is not a reduction at all; in fact it's one that is important to continue. The funding is

certainly adequate to do the projects that have come in so far and been reviewed. So the concern that there would be a reduction in research by Alberta is not accurate at all. In fact it needs to be increased. What we have to do is try to give our producers every break we can, and research certainly does that.

There has been some reduction on the federal side. We want to see them get back in and do more in the research area. For example, they cut back positions in western Canada. We lobbied very strongly to see that those were replaced, because what happened was that we were funding projects they actually should have been funding.

Mr. Chairman, the theme is that there is no reduction and that the high priority and emphasis on all research, including Farming for the Future, will continue.

Agreed to:

Total Vote 1 — Farming for the Future

\$5,000,000

#### 2 — Food Processing Development Centre

MR. CHAIRMAN: Are there any questions or comments on this vote?

MR. MARTIN: Mr. Chairman, I'd like to go into a couple of areas dealing with this. I'm sure the minister alluded to it, and again I apologize, but it seems to be a little behind schedule in terms of being functional. My question has two parts: one, what is the cause of that and, secondly, is it making it more expensive when we finally finish the program?

I don't know if it falls here or not, but one of the problems we're having — there are many reasons for it, and we've discussed them somewhat in this Legislature — is the meat packing plants here. I suppose they're outmoded and inefficient, and there's the whole subsidy thing. Are we looking at how we can do something in terms of our meat packing industry, which used to be a key industry and is less and less so? As a result, Alberta is being hurt.

MR. FJORDBOTTEN: Mr. Chairman, I gave a complete answer on that, and it's in *Hansard* of October 26. I could just highlight a couple of areas. Yes, there was a delay. The original contractor went into receivership and some changes had to be made, so there certainly was a delay in that. The figures still came in okay. The plant should be operational within a couple of weeks, with an official opening hopefully sometime in December. So I think the plant is doing all right.

With respect to the packing plant industry, one area in which I'm sure the Leduc food processing lab will be helpful, and has been already to a certain degree, is new packaging techniques that have been used by a number of smaller processors. A number of new opportunities are out there to handle meat products. One of the areas of concern, particularly for the smaller packers, is being able to have bench scale studies they can do in a plant. I don't have the list with me, but I know there were some on the list that looked at using the lab to do work like that.

MR. R. SPEAKER: Mr. Chairman, to the minister. In terms of the hog industry in the province, we are certainly having some difficulties at the present time. In terms of processing pork, I wonder whether there are some projects that will be worked on at the centre. Is that one of the areas the minister is looking at? It could certainly broaden our possibilities or diversify our economy if we could do some of those kinds of things. Are there some things in the works at the present time in that area?

MR. FJORDBOTTEN: Mr. Chairman, I believe there are. The ones I know of at the moment: one was ultrafiltration equipment for whey concentration; another one was a wiped film evaporator that handles sugar solutions and areas like that; and there was one in specialized meat processing, which was a vacuum cooking cutter for meat products such as liver sausage. There has been a fair amount of work done in salad dressings and areas like that, but I don't know of one I have in front of me at the moment that is specific to the hog industry that is utilizing the plant. I would be happy to check that and report to the hon. member.

Agreed to:

Total Vote 2 — Food Processing  
Development Centre

\$1,365,000

### 3 — Irrigation Rehabilitation and Expansion

MR. MARTIN: It comes back to some of the questions that my colleague before me and I have raised from time to time. I guess it has to do with looking at the province as a whole and where we go with new agricultural land, which I think both the minister and I would agree is necessary. We've put a lot into irrigation. Of course the other aspect is the northern land; that comes to another question. Again, you'll forgive me if I forget the reason — I've asked this question before, but it slips my mind — but it's my understanding that 86 percent of irrigation costs are picked up by the government and 14 percent ... In northern areas where drainage is needed, I understand it goes down to 75 percent picked up by the province. I ask for the reason because I think many northerners ask for it. Is there any contemplation of making it the same in both; in other words, moving up to 86 percent in the north?

The other question I ask has to do more with the future. We put emphasis on irrigated land, and nobody's denying that what's been done has been desirable. But I guess what we're looking at is the future in terms of cost benefits and all sorts of things — which is the best bang for the buck? When you put the emphasis on irrigated land, the system must be maintained in the future, and that is certainly a cost. Have we taken a serious look at more expansion of northern lands? I go back to what I believe Dr. Horner advocated at one time. It's my understanding that there wouldn't be the maintenance costs, that there isn't the soil salinity in such land that there is in the south, and that the land is also cheaper in the Peace block. I wonder what consideration goes into where we go with our money in terms of making agricultural land more productive. What are the trade-offs, if you like, between pursuing more irrigation or looking at opening up more land in the north? I think it's an important fundamental question as we look at the future agricultural development of our province.

MR. FJORDBOTTEN: Mr. Chairman, the numbers are correct; it's 86/14 in the irrigated areas and 75/25 on drainage in the northern part. One of the areas considered under the new program we're voting on today was, should the program be continued? If it were continued, what should the funding level be, what should the term of the funding be, and also what should the cost-shared formula be? It all had to be reviewed. That review was undertaken, and after all consideration — I have to thank the Irrigation Projects Association in southern Alberta, because they had an excellent study done on the economic impact of irrigation development in Alberta, which outlined very clearly that the 86/14 formula was the correct one to continue with.

With respect to drainage in the north, it is a far more complex issue than irrigation. It's much easier to take water somewhere than to try to take water away from somewhere. In the drainage area in the north, both the Department of the Environment and the Department of Agriculture are involved. Agriculture is involved with respect to drainage on the farm. The Department of the Environment is involved if it leaves the farm. Anytime you move water, it has to be moved somewhere.

I would encourage hon. members to look at the cost share for water resource management programs, known to most as position paper number five, under the Department of the Environment. We're looking at the area of drainage, and in the longer term I think the Environment Council of Alberta's report on the expansion of agricultural land base will provide a public insight into that area and the actual needs of expansion. There is some concern if we drastically expand our agricultural land base in northern Alberta. All sorts of numbers have been tossed out by everyone, but one of the problems with expansion is the erosion after you start working on that land. So I am watching closely for the Environment Council report, which we expect sometime after the first of the year and which will look into that area and give us a better idea of how we can work in the drainage area.

No doubt there is also some scope for irrigation in northern Alberta — I don't mean to preclude that — but the bigger problem in the north is moving water off land rather than moving water onto land. There are certainly pockets in northern Alberta where individuals are excited about the concept of having that water and being able to utilize irrigation. So that is part of an ongoing discussion and will certainly be a part of the Environment Council's study that we're watching for.

MR. MARTIN: Just one follow-up on the minister's answer, Mr. Chairman. I believe he said his study was done by the Irrigation Projects Association and that they came to the conclusion that 86 percent was a correct figure. My point to the minister, and something he might consider, is that there might be a vested interest there because you are the ones already doing it. It's hard to explain. I'm still not sure of the explanation when you talk to northern farmers. Why 75 percent? The fact that an irrigation association said that 86/14 is correct is not going to make much sense to them unless we can break it down in a little more definitive way than that. I guess my question is: are there independent government studies about the financing, besides people who might be at least perceived to have a vested interest there?

MR. FJORDBOTTEN: Mr. Chairman, that certainly is a good point. The study wasn't done by the Irrigation Projects Association; it was funded by them. It was done by Underwood McLellan, who tried to do an assessment. That wasn't the only report that was looked at to arrive at the decision to stay at 86/14. The 86/14 formula had been arrived at earlier. What they took into consideration in the formula was, number one, what would be the benefit to the area? For example, there are a lot of communities that rely on the irrigation system for their domestic water supply; that was one. There are industrial users of water. There is a benefit to the region for that reason and also for recreation potential. They took all those numbers and came to a recognition that the figure was close to being what it should be. It could be 85/15, 80/20, or some other number, but it was close to that. So in the consideration of all the studies that were done, it was recognized that 86/14 had been the figure used, and in our estimation there was no reason to change from that historical number.

MR. R. SPEAKER: Mr. Chairman, I just want to make a comment with regard to this vote. I support it wholeheartedly.



I want to congratulate the minister for bringing the vote forward as well as convincing his colleagues in cabinet and caucus that the expenditure is very worth while for southern Alberta. As I travel through my own constituency, the constituency of the hon. Minister of Agriculture, the constituency of Cypress in southern Alberta, or Taber-Warner, I see the many benefits that have been brought forward by the rehabilitation of lands that were of no value, that were sloughs or alkali, and ditches that were unbearable to the farmer. It has been an excellent program. New canals and new facilities are in place, and the underground piping is good for anywhere from 75 to maybe even 100 years because of the quality of the pipe that has been installed in the ground. We have a great heritage piece in southern Alberta from the expenditure in this manner through the capital works division of our Heritage Savings Trust Fund.

I would like to also express my appreciation — I'm sure on behalf of many irrigation farmers in southern Alberta — that the 86/14 formula was maintained and that the integrity of that formula is in place, not only because it's an equitable and fair way of sharing the cost but because farmers in southern Alberta are under pressure in the present economic circumstances. A significant increase in water rates — say \$10, \$12, or even \$15 — under present conditions would be unbearable for many farmers. It would be most difficult for them to continue with that extra cost. So I have nothing but okays to the minister. Bringing it forward and convincing all of us and his colleagues that it should be this way is certainly to his credit.

I'm sure that when we sum up this program and see the expenditure of \$150 million over the next five years, we will see many benefits to southern Alberta. We will certainly enhance and stabilize our food production and our market capability for soft wheat, which has really grown in the last few years because of irrigation. Our canola production in southern Alberta has increased because of our capability in irrigation. I'm sure that will continue, and there will be new types of foods put on the market because of the irrigation. All of that brings revenue into Alberta and certainly stabilizes our economy.

Mr. Chairman, I support this vote, and I certainly want to show my appreciation to the minister.

MR. CHAIRMAN: Are there any further questions or comments?

MR. FJORDBOTTEN: Mr. Chairman, I appreciate the support from the hon. Member for Little Bow on the whole area of irrigation, because it's tremendously important. It's sometimes a misnomer to call it irrigation, because it's water management for southern Alberta for a wide variety of issues that I think are so important to our long-term future.

Mr. Chairman, I'd like to answer a question that was asked by the hon. Member for Cardston last week. He asked me about engineering services for small irrigation districts. As I read *Hansard*, I noted that it was one of the questions I hadn't answered. There are five small irrigation districts in southern Alberta; namely, Aetna, Leavitt, Magrath, Mountain View, and Ross Creek. In line with some fiscal restraint, we had to review the services offered by the department, including those to irrigation districts. With respect to the small districts, we plan on reducing our involvement to a level similar to the other districts. At the same time we want to encourage the small districts to develop their own capabilities, as other districts have done. I had some discussions with them on the irrigation tour. I know discussions are under way with the districts, and my information is that they're going well. It's really hoped that

those districts will pool their resources and share some of the costs of financial administration and engineering services.

Our services will be phased out over time rather than abruptly removed. The hon. Member for Cardston's concern was that they would be removed abruptly, but they will be phased out. We'll continue the commitments we already have under way, but we will not be accepting new project areas as far as engineering services are concerned.

I think it's important to note that under the formula, expenses incurred by districts, such as engineering services, are 86 per cent funded by the province and only 14 per cent by the districts. I hope the small districts will look at the possibility of consolidation, in that one strong irrigation district may be more efficient and effective in those areas than five small districts. I'm not saying they should do this. It's something they have to consider and make their own decision on, but I hope that consideration will be given.

Mr. Chairman, I think that answers all the questions.

MR. R. SPEAKER: In raising the point now, Mr. Chairman, the minister raises another question in my mind. It's with regard to the contracts on the various projects. There is some talk with regard to preferences given to (a) Alberta contractors, (b) local contractors, or leaving it out in the open market so the district and the farmers can get the best deal possible. I wonder if the minister could clarify whether under the new ground rules there is any intention by the government through the Irrigation Council to apply any restrictions such as that.

MR. FJORDBOTTEN: Mr. Chairman, it's the policy of our government not to have a provincial preference policy. Of course there are other provinces that do have that preference policy, but in these cases we take the Canadian approach rather than the strictly Alberta approach. Wherever the contractor is from, if his bid is the lowest, that's the one that will do the work. There will be no direction whatsoever from my office to give preference to Alberta contractors. With respect to local work that's done, it's always given consideration, because there are local people in those communities. But on the major contractors overall, there will be no provincial preference.

MR. R. SPEAKER: In terms of local review of some of the rehabilitation projects, Mr. Chairman, I understand that through the department, maybe through the Department of the Environment, engineers review the project as it is in process and then give final approval before — I make an assumption here — the final payment from the Heritage Savings Trust Fund is forwarded. Is that type of process in place, someone to review the projects? I'm not sure this is necessary, but we are expending money from the Heritage Savings Trust Fund. What are some of those built-in controls? I want to make it clear to the minister that I'm not recommending we have a fleet of inspectors like the gas inspectors we had when we put in a lot of the gas lines in the province. But what does the Irrigation Council do to double-check?

[Mr. Purdy in the Chair]

MR. FJORDBOTTEN: Mr. Chairman, I have to be a little careful in my answer, because I'm trying to get up to speed. But the Irrigation Council has to approve all the projects, and of course they look at each one to make sure the work is being done properly before the dollars flow from the cost-share fund and from the provincial government. Some internal work is also done within my department to review that. As I understand the process and as I've seen it operate, I believe there are at

least two checks on the system to make sure that not only is the work done properly but the allocation of dollars is also proper.

MR. DEPUTY CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

Agreed to:

Total Vote 3 — Irrigation

Rehabilitation and Expansion \$30,000,000

#### **Department of Recreation and Parks**

##### **1 — Kananaskis Country Recreation Development**

MR. DEPUTY CHAIRMAN: Has the minister any opening comments? The hon. Member for Highwood.

MR. ALGER: Mr. Chairman, I'd like to speak to the Minister of Parks and Recreation primarily with regard to the Kananaskis Country recreation development. Over the years the provincial government has expended many millions of dollars in that area, and I rise today to query the minister as to the advisability of all those expenditures. Now that we're closing in on the completion of many of the facilities in the area, maybe the minister could describe to me how many visitors have enjoyed the use of Kananaskis Country. What are the projected numbers in the future? The project has involved a 36-hole golf course too, and I'd be interested to know how many golfers actually used and enjoyed the facilities. Is he satisfied with the operations of the pro shop, restaurant facilities, and parking area, and the behaviour and the hospitality of the employees there? In general, just how are the park and the golf course operating?

I was fortunate enough to attend the official opening of the Mount Kidd campground on September 29, 1984. I would like him to describe to the Legislature some of the amenities people can expect when they camp there. Another thing I would say with regard to Kananaskis is that it's becoming such a popular recreational area that I wonder if the minister could tell us what plans are in place with regard to offering more services to the public with respect to service stations, stores, and the like that may be constructed in the area.

Does the minister intend to keep the highway running through Kananaskis Country open year-round? Are camping facilities available year-round? There have been several complaints with regard to the road closure near the south end of Highway 40, which I guess will one day be known as Bighorn Highway. It would be interesting to know whether the minister has that intention. What are the expenses involved and so forth?

I'd like the minister to give us a brief update on the status of Mount Allan. I think that would be a really worthwhile piece of knowledge to hear today. Mr. Minister, have there been any recalculations of the total costs for the completion of Kananaskis Country? More importantly, have there been any unexpected costs that would have significantly affected the total expenditure of the project?

I understand, Mr. Chairman, that there is a group of citizens in Elkford, B.C. — I shouldn't have used the word "understand"; I know blessed well there is a great group of citizens in Elkford, B.C., who are interested in constructing a road up the [Elk] River through the mountains to connect with the Kananaskis highway. Having had this lobby, if you like, put forward to some of us, it strikes me that they will be quite a long time actually rustling up the money for this project in the province of British Columbia. But supposing they do get suc-

cessful with it, would the minister then — has our minister been approached about this project, and would the province consider constructing a road in the Alberta segment of the project, bearing in mind that it's a short little road? It requires only about six or eight miles in the Alberta section, while it takes around 47 or 50 miles in British Columbia.

If I could get the answer to these queries, Mr. Chairman, I'd be quite tickled.

MR. ALEXANDER: The hon. Member for Highwood stole a few of my arrows, but since it's in his constituency, he ought to have every right to do that. The variations on the questions already asked would be primarily about the golf course. I'd like to ask the minister if he could emphasize and clear up a couple of things.

One is that I think the public generally is accustomed to thinking of Kananaskis golf course as though it were "a" golf course. Much of the discussion I've seen in the media or heard from my constituents and other people who don't clearly understand the project or haven't been there — they do not understand that there are in fact two golf courses and that they are world-class golf courses. I wonder if it would be useful for the minister and others who are referring to Kananaskis golf courses particularly to make a point of stressing "courses" rather than "the golf course", not only for the reason that there are in fact two but that the amount of money required to build those golf courses over the period since 1978, when the budget was first cast, and '79, when the work first started, the total amount of money spent, plus or minus \$11 million — to deliver those two golf courses at approximate cost in the '79 to '83 period of \$5.5 million apiece was an accomplishment I don't think most people fully appreciate.

As a member of the committee which helped do the project, I add as a bit of background that the budget was cast in 1978 dollars and finished in 1983 in uninflated dollars. I think it's important to say that we did not have an inflation rider on the budget. The golf course architects who were chosen to do the job had excellent management of the local people, and 95 percent of that \$11 million was paid directly to construction and service companies located in and around the Kananaskis area or in Alberta. I think that was a substantial accomplishment on the part of the architects and the departments involved. I think it also needs to be stressed that the project, as is the habit in Alberta, was done in time and on budget in uninflated dollars.

Secondly, I wonder if the minister could tell us of the reactions he's had so far to the success of the specific strategy to establish it as a world-class facility. In Alberta we've gotten into a habit of allowing those words to roll off our tongues as though they were so much hamburger. When you're talking about a world-class facility, you're talking about something specific. We tried to get a world-class facility in place. I think there's some consensus that we may have done that without specifically saying to ourselves or identifying what it is we mean. Is there sufficient challenge? Has there been any feedback on the challenge of the golf courses? Are they sufficiently attractive to bring notice from the world golf community, which is one of the objectives? Is the quality of facilities, which was raised by the hon. member earlier, up to world class? Is the management that good? Does it have a uniqueness that sets it apart from other facilities that are similar in the minds of the users? I guess one of the tests is: do people, not only Albertans but golfers everywhere, want to play there? And having been there once, do they want to come back?

DR. BUCK: No, I'm not going back.

MR. ALEXANDER: I guess the question to the minister is not so much how many golf balls you may have left lying in the the water. Only one?

DR. BUCK: Just one.

MR. ALEXANDER: Whether people are in fact expressing the desire to go back and do it again is in my view one of the real tests of a world-class facility.

In terms of the specifics, I'd like to ask another question because of all the high-profile discussion that has swirled about the white sand. Does the minister have any information that would indicate to the House whether or not the sand strategy, let me call it, has so far worked? The sand was chosen for its playability and its wind resistance. As members will know, Kananaskis Country is a very windy place at times, and wind loss from those traps could have been very substantial, anywhere between 15 and 25 percent per year. When you're paying \$39 a yard for sand FOB to the site, it's important that it stays put. Does the minister know whether or not that strategy has actually worked? It would be measured partly by replacement. It may be that those figures are not readily available, and I would understand if they're not. But if they are and he's had any word, I think it would be useful to know that.

He might also be interested to know that other golf course operators around the province are seeking the source for the same sand. Perhaps he could comment on that if he has any further information.

The other matter that received a certain amount of what I thought was — I have to be careful how I say this — almost laughable coverage in this House and elsewhere was the dress code. I don't know whether the minister has noticed, as I have, the signs popping up all over the place: dress requested, minimum dress code, minimum dress requirements, whatever the case may be. Does the minister have any kind of feedback from the management as to what impact the dress code may have had on the people who came to the place over this past season?

The hon. Member for Highwood previously asked for the numbers. One of the points that is very important to me and that I'd like the minister's comment on is that when the government makes an investment in a facility on this scale, it may be important to look at it in terms of what the return on that investment might have been if, for example, it were a private-sector investment. If I as a member had had an opportunity to invest \$11 million in two golf courses on this site, would I have done so, and on what basis would the economics have crunched a profit or a return on that investment? I recognize that that's not necessarily calculable and can't be audited in a private-business sort of way. But if, for example, as was projected, there were somewhere between 40,000 and 60,000 rounds per year to be played at a fixed rate of \$20 per round, and some funds were spent in the clubhouse and some in the pro shop and so on, the total income per annum from the golf course would make the investment into a viable one over a certain period of time. I don't expect that the minister would necessarily have those calculations all done, but the House might be apprised of what number of people played there this year, what kind of income that generated to the management, and thus what the viability of the investment in those two facilities would be on a comparable private-sector basis.

Mr. Chairman, my final point is that the matter of the golf course, as it was originally conceived, was that it would be built essentially for all Albertans. I think that concept has gradually expanded to include those interested in playing it. I wonder if the minister might also give some thought, in combination with the Minister of Tourism and Small Business, to the idea

that the golf course in itself would be an international attraction which could in fact have a very measurable impact on the tourism business in Alberta. From conversations I've heard within the community, the word is out. I think it's fair to say that the word is out on virtually a worldwide basis in terms of the golf community: this is a great place to play on, and someday I'm going to get there to play it. I'm not sure how those things are done, but from what I've heard, it strikes me that there is a substantial asset added to the base of tourism in the province. Perhaps a comment or two might be made on that as well.

Mr. Chairman, just before I sit down, I want to thank the minister for the input and the funds his department gave to an outstanding facility in my constituency, Fort Edmonton Park. Fort Edmonton is supported on a substantial basis by this government and this minister's department. I don't know how many people know that, but I want them to know it now. I also invite any of you who have not seen the place to come down and visit it for two reasons: one, it's an outstanding facility and, secondly, due to the boundaries commission, it may also be about to disappear from my constituency.

MR. KOWALSKI: Mr. Chairman, a couple of brief questions to the minister with respect to an urban project program, the current one at Waskasoo Park in Red Deer.

MR. DEPUTY CHAIRMAN: Order please. I think the hon. member can carry that out under Vote 2 on the urban parks. We're on Vote 1 now, Kananaskis Country.

MR. KOWALSKI: That's fine.

MRS. FYFE: Mr. Chairman, a few comments about Kananaskis. I had the pleasure and privilege of visiting Kananaskis this year for the first time as a tourist. I say to the minister that anyone who complains about Kananaskis simply hasn't been there. The reaction of constituents who visited Kananaskis and of those I talked to was one of absolute amazement that this park and recreation area has been developed within our province and that there is something for everyone. The facilities are certainly first-rate and first-class, and the variety of options available to those using this recreation area are just immense.

I would like to ask the minister a few questions about Kananaskis. One relates to the campgrounds. From my understanding on the visit, the management of the grounds has been contracted out to private operators who are managing it on whatever contract basis is in place. My question regards the quality control of the services, the cleanliness of the washroom facilities. What mechanism is in place to ensure that the management of these facilities is first-class, as is the development itself? There's no doubt that the trust fund has provided Albertans with a great legacy in this area. The development and the planning that has gone into it has resulted in first-class facilities, and I think it's essential that the management of these facilities continues to be first-rate. I just ask the question about the control that must be in place to ensure continuity.

Secondly, I believe we should be doing more advertising, more communicating, about Kananaskis and the options and facilities that are available to the people of this province and to the tourist industry. I would be interested in knowing, as others have questioned, about the capacity of the facilities. I realize that we're still in the neophyte stage of this recreation area and that each year the numbers will grow. I know that on certain weekends the facilities were used to capacity, but I'd be particularly interested in knowing what capacity was measured for this recreation season that has just passed.

The other area I would like to ask a question about relates to the services for the handicapped, the William Watson Lodge, which once again is a first-rate facility. When I drove around it this year for the second time, it seemed to me that there were vacancies. I think we could do an awful lot more in this area to communicate to people throughout our province, those that have a handicapped member, that this is a facility that's first-rate and has a nominal charge. Maybe we can do it with each individual constituency, but I would like to see a form of communication extend across the province to ensure Albertans realize that it is for their use, that it's available.

A last comment relates to the booking procedures. I think there has been a great improvement in booking on the course. I can't claim to be a first-rate golfer, but I did at least try the course and I was absolutely super-impressed. Unfortunately it's a little difficult for me and my hands were a little sore at the end of the day after all the swings I had to take. But it really is first-rate; it's fantastic. The booking times on the course — constituents that had tried previously and were a bit frustrated by not being able to get on expressed appreciation of being able to utilize the course. Having made some adjustments in that procedure, it worked well.

The other area of booking is in the campgrounds. I think this is a good move, and it has allowed people to plan their holidays. It may be a problem later on as people become more aware of this great area, but my comment on the booking of the campgrounds to date is that it seems to be working well.

I compliment the minister and all those that have worked and used their imaginations to develop Kananaskis as something that every Albertan, if they had visited and used it, would be very, very proud of.

DR. BUCK: Mr. Chairman, I'd like to make one or two comments on this vote. First of all, I would like to say it is a fantastic golf course. When it matures, it will be one of the best golf courses in the world, and I make no equivocation about that. I've played a few of them from . . .

AN HON. MEMBER: Better than yours?

DR. BUCK: Better than mine, Stanley, because they're going to spend 10 times as much money. I'll get around to that.

I'd like to say it is a great golf course. I can see a few problems down the road. Knowing the little bit I do about golf courses, I'll be very surprised if the tees stand up, using that type of grass. But if we have to turf them for another million dollars, what's that? No big deal.

When we start a project of this magnitude, and we're going to design 18 holes and an appropriate clubhouse but then suddenly we change it to 36 holes — the day we were there, the clubhouse couldn't handle the people there. When the Cadillac Conservatives built their Cadillac golf courses and their Cadillac facilities, maybe they should have given a little bit more thought to the facilities. The day we were there, the facilities were overcrowded. I'm not sure if any modifications were made to the clubhouse. If there weren't, somebody should be reprimanded for a clubhouse designed for 18 holes now servicing 36. This I would like to know.

When we look at the golf course in hindsight, and hindsight is always a lot easier than foresight, possibly we might have looked at making one golf course the championship one that it is and the other one a family golf course. I know my learned friend from Edmonton Whitemud will say, you can play off the front tees. That's true. I don't know if that would make that much of a difference. My hon. friend from Edmonton Whitemud, I only lost one golf ball in two days. So I must

have been keeping the thing in play, which is pretty good, because I hear that they retrieve 3,000 golf balls a week, which is quite a record in itself.

It is going to be a fantastic golf course when it matures. It's well laid out. When you look at it as a recreation facility — I now know people who make the circuit playing Jasper, Banff, Kananaskis, and back around the loop. I think the Minister of Tourism and Small Business also has to take advantage of this. People have discovered that this is a nice little loop, a little circuit, and the Department of Tourism and Small Business should certainly be promoting some type of package thing promoting a tour such as that.

I have concerns now that there are no accommodations available except for Canmore and Banff. What will happen to the business sector in Canmore and Banff when the facilities start moving further east into Kananaskis Country? For the people who want to golf for two or three days and are now going to Canmore and Banff, what effect will that have on the businesses in those two communities?

One thing I want to tell my learned friend from Edmonton Whitemud is that there is nothing simpler than a four-by-four white post, pounded in the ground so you can't miss it, that says "150 yards". We asked one of the caretakers where the 150-yard markers were. He said, can't you see that little thing over there? First of all, they planted trees. That just blows my mind. You're looking for trees among the trees to find out where the 150-yard marker is. They had a piece of one-by-two white stake driven in the ground; that's the 150-yard marker.

When they spend \$10.5 million, surely they can put in some four-by-fours made of cedar that will stay there forever, hon. member Keith. That is the universal language — 150 yards to the middle of the green. Maybe they can rustle up a few dollars in this appropriation to put appropriate 150-yard markers out on the golf course. It speeds up play, Mr. Minister. That's why they put them in there. To the person who's never seen the golf course and never played it before, that's the universal sign — 150 yards from here into the centre of the green. That's something I'm sure can be rectified in a couple of days.

I want to pay a sincere compliment to the management and the fellows in the pro shop. They are professionals. They are doing an excellent job. They are very accommodating. I was just skulking around a little bit to make sure they were serving the public, and they were. They were doing a good job; they were accommodating to walk-on golfers. One fellow happened to be an American who heard about the golf course and came from Calgary, and Brian, Wayne, or one of the boys said: "Sir, you just hang on; I'm sure we can accommodate you. It will probably be within 20 minutes". And they did. The only thing is, they sent him out with three young hotshots and the fellow didn't hit the ball too well. That was a bit trying for the gentleman, but he did get to play the golf course. So the fellows in the pro shop are certainly to be complimented.

Mr. Chairman, to the minister, it's our responsibility to make sure that the taxpayers' money is not squandered. That's our responsibility. With what I know about golf courses, I know I probably could have saved the taxpayer about \$2 million. But that's the way it is under our tendering system. If we build a house for ourselves, we go to the contractor and say: "Look, we've got \$85,000. Build me a house for \$85,000". Using the public tendering system, you say, "Build me a house". Then we take the low tender, so the house probably ends up being \$170,000 if we're using that system. I know this is always a problem when you're going to the public tendering system. You're sort of stuck with a bill that's a little bit higher than if you went to the private sector. I guess the taxpayer will forget about that over the years.

It is a great golf course, and I think it's got great potential for being a tourist attraction to the province. I guess the major criticism I could make of the golf course is that it is really pretty difficult. It's not a hacker's golf course. Many people who like to hit the ball and not worry — hon. Horst, don't you know what a hacker is? A hacker is a person like you who doesn't know what a hacker means. He hits the ball about 25 times and he says, "Gee, that was a tough hole". So hack, hack, hack. That's what that means.

The question that the Member for Edmonton Whitemud asked about the white sand — my good friend the Minister for Tourism and Small Business and the MLA for Peace River says I can get enough sand from Peace River to be able to afford two holes. I'm hoping that my friends in the breakfast club down in the Legislature can chip in, and we'll have two sand traps on number nine hole in Fort-In-View golf course in Fort Saskatchewan with white sand in them, Keith.

It is a good golf course, and it's got some great potential. Mr. Chairman, I wish to say I support the facility. However, I worry when the government starts impinging more and more upon the private sector. What is going to happen in Fortress when we put the ski facilities in? Are we going to wipe those people right off? What's going to happen to the businesspeople in Canmore and Banff when we go ahead with Fortress and some of these facilities? It's pretty difficult to compete with your competitor when he's got hundreds of millions of dollars in the bank against your limited amount of capital. These are things that we have to look at when we have government involved in competing with the private sector. I say that sincerely to the minister. But on the whole, I'm pleased to support the vote.

MR. SZWENDER: Mr. Chairman, I'd just like to add a few comments to those already made with respect to the estimates. I will make a few comments again on Kananaskis park and Kananaskis Country, more specifically a few observations I've made that can be regarded as improvements in what is otherwise a magnificent, world-class park.

I wasn't here a little bit earlier when the Member for Edmonton Whitemud talked about golf. Certainly he's much more of an expert than me. I hope the minister and his department have considered some kind of heritage trust fund international cup golf tournament that would rate as one of the chief attractors of the best golfers in the world to that facility, so we can give it more exposure and certainly make it more visible to people throughout the world as the park and the golf course that it really is; that is, one of the top in the world.

One very specific observation I'd like to point out to the minister — and I know I've made a number over the course of the year in memos. I must say that the minister has been very astute in following up on those. But I guess we all have to work together to make the park a more viable and attractive proposition to Albertans and people from outside the park. This is with respect to the entrance to Kananaskis Provincial Park. Certainly we know Kananaskis Country is made up of three provincial parks, but I'm talking about the entrance to the Kananaskis Provincial Park, which is at the end of the highway into Kananaskis Country. The turnoff into the park is really a 90-degree turn towards the right, and it is not marked very clearly at all. If a person isn't paying attention and isn't reading the small print, the signs leading to that entrance may lead him to believe that he's just going into a particular campground. There is reference made to particular lakes and trails but not that they are entering Kananaskis Provincial Park. It's just not clearly marked.

What is even more misleading is that there are a couple of posts or barriers past the entrance, which a person looking ahead would observe as the gates themselves. Those are really barriers, which come down during the winter months, to prevent people from going on the trunk road that goes through the mountains and on to Coleman. I know of one incident when an out-of-province visitor went about 50 kilometres before the pavement ended and he found himself on nothing more than gravel. He had completely missed the turn because of the poor marking. I hope the minister would take that into consideration in helping advertise, promote, and make that beautiful park more readily accessible.

MR. NELSON: Mr. Chairman, I have a couple of comments and questions I'd like to pursue with the minister. First of all, I think we all recognize that Kananaskis is probably one of the finest developments that has taken place in the province for many years. Those people who have experienced it have certainly enjoyed it. There are always the nitpicky little complaints that you get, which I'm not going to address here today. I think they are just that: much of it is nitpicky.

I was into the park two or three times this summer, and I guess a couple of things concerned me. It's too bad the Associate Minister of Public Lands and Wildlife isn't here. First of all, it concerned me that equestrian trail rides, et cetera, were going on whilst the hunting season was in place. I certainly wouldn't want to consider riding a horse when there are hunters around, especially when probably one or two may be irresponsible. I know that the majority of hunters are responsible and take every care necessary to protect domestic animals and human life, but as in any other form of activity, there are those who are irresponsible. I think it's detrimental to people who wish to go out and participate in an equestrian or trail ride activity whilst these hunters are in the same area. I'm sure we all recognize that a horse's head might be a prime target, and I wouldn't like that to be the horse that's under me.

We had the opportunity of visiting and going through the park, in particular William Watson Lodge. I think the development there for our handicapped friends is outstanding. We were given a very informative tour by a handicapped person, a blind gentleman by the name of Mr. Watson. I guess the one thing I'd like to suggest and maybe examine is the lodges that are there presently. Apparently you can hear noise or discussions through the walls, due to lack of sound abatement. Basically I'd like to ask the minister what expansion plans are being considered, especially in the near future, and what we can do in addition to attract more of our handicapped friends or senior citizens to the lodges, because it's a tremendous part of the activity there.

The other comment I'd like to make is: has the minister considered requesting funding for the development of the Powderface road, considering that a couple of additional sites could be made available for our tourists or campers along that roadway? With the number of people using the park, it seems to me that additional facilities would be of prime concern in the near future as well as in the long term. Those are the basic comments I have, Mr. Chairman.

MR. MARTIN: Mr. Chairman, I will be brief. I too was part of the heritage committee that went on the tour — a very interesting tour, obviously a very beautiful part of Alberta. I think we've held the debate about whether or not it was done for the best bang for the buck, and we can argue about golf courses and the rest of it. But the fact is that it's there, and it's now up to all of us to encourage Albertans to use it.

My question ties into this, Mr. Chairman. I hope I'm not ruled out of order. We hear various rumours about the possibility, if you like, of Kananaskis north or that some similar thoughts are going into a development in the northern part of the province. It's probably just rumour; I don't know. If there are some thoughts there, perhaps the minister could update us. If it isn't, I'm sure he will tell us. If it is, what are the plans at this particular time? [interjection] I didn't say whether or not I was supporting it. I'm just asking the question whether it is going on.

Thank you. [interjection] I'll wait and see what the minister has to say.

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

MR. TRYNCHY: Thank you, Mr. Chairman. A lot of good questions, and hopefully I'll be able to respond to them. Before I start to respond, I want to say that I'm so pleased Kananaskis had a visit from the heritage fund chairman and a number of members of the heritage fund committee, which included the hon. Member for Edmonton Norwood and the late hon. Grant Notley.

Mr. Chairman, in responding to the questions of hon. members, I'd like to take them as they were put. The question was asked if we have a figure on the number of visitors we had to Kananaskis in the summer of 1984. I do have that figure. We had some 305,000 campers and some 1,660,000-odd day-users, for a total of approximately 2 million visitors to Kananaskis Country. The increase over the same period last year is 25 percent in campers and about 85 percent in day-users, which amounted to an increase of about 75 percent more visitors to Kananaskis in '84 than '83. So by that information, Kananaskis ...

DR. BUCK: Mr. Chairman, to the minister. Just for interest's sake, is there any way they can differentiate if those were in-province or out-of-province?

MR. TRYNCHY: I've tried to get the information to the hon. Member for Clover Bar on how many come from outside the province. I hope we'll have that from the visitors' centres next year or some time this winter, but we don't have a percentage. At one time I understood there were about 10 percent from outside Alberta, but whether that has gone up or down, I don't know.

The next question was the number using the golf course — a number of questions raised by both the Member for Highwood and the Member for Edmonton Whitemud. The Member for Edmonton Whitemud raised a number of important questions. He's so right in saying that we have two 18-hole golf courses, and throughout Alberta we're only responding to a golf course in Kananaskis. Some people have suggested to me: why do you spend that much money on one golf course, which is nine holes such as we have in my local town? We've got to get that message across that there are 36 holes, and it's not just one golf course. According to my recent visit with the manager of the company that runs it, 55,000 rounds of golf were played in Kananaskis this last summer.

In regard to the operation of the pro shop and the resting facilities, we have to agree that the pro shop and the facilities are too small. In answer to the Member for Clover Bar, that clubhouse was designed after we knew there were 36 holes. Unfortunately, I guess nobody thought we'd have the kind of traffic we have. It was designed for 36 holes, but you're right: they weren't looking far enough ahead, and we're going to

have to do something about it. Whether we do it within the next year or so — I think management is talking about providing a tournament house and a starter house off-site and moving some of these things out so we can really give better service. But you're so right in suggesting that the service has just been tremendous.

I might say that I've had about three concerns raised by citizens who were not happy with Kananaskis Country. Those are the only ones that have crossed my desk. Three concerns throughout the whole year — I think we're batting pretty dam good. So I want to say again, along with members of the House, that we can take our hats off to Norm Kimball and group for doing a really good job for this province.

With regard to the second question — I'll just take these as they come along — with regard to William Watson Lodge, somebody mentioned that we might have more advertising. In the last year, from January to August 1984, we provided 6,944 bed-nights: 5,858 were disabled or handicapped and 1,086 were by senior citizens. The percentage of the lodge occupied through that period: in January, 77 percent; in February, 86 percent; in March, 91 percent; in April, 86 percent; in May, 95 percent; and since then it's been fully occupied at 100 percent. So when somebody asks the question, will we be thinking about expanding William Watson Lodge, I guess we have to suggest to members that in time I think we'll be pressured into doing that because it is a facility that's so well used and well regarded for the handicapped and for senior citizens.

The next question was with regard to Mount Kidd Recreational Vehicle Park and what we can expect in that area. I might say that it's operated by the private sector — two families, Philip and Barry James. They operated Allan Beach Resort in Stony Plain. They provide 2,027 campsites, some of which are full hookups with water, power, and sewage. There are tot lots, tennis courts, fire pits, a trailer dump station, and a picnic area. In addition to that, we have a camper centre with seven campground washrooms.

I was asked what plans we have in store for more service stations, stores, and the like to be constructed in the area. At this time, I might suggest that we're going to rely extensively on what we can provide in the alpine village site on Ribbon Creek. My understanding is that when the Ribbon Creek development is totally complete it will have some of those facilities such as stores and other things. I might add that there is a shopping complex within the recreational vehicle park at Mount Kidd and also at our service station at Fortress Junction.

I was asked if we intend to keep Highway 40 open, running through Kananaskis Country toward Longview. That will be a decision of Alberta Transportation with regard to the dollars and the wildlife problems we might cause by keeping it open. I understand that the total cost of keeping that road open during the winter could be as high as \$250,000. I'm not sure whether we're prepared to do that. When I say "we", I mean Alberta Transportation. It's been discussed; we're reviewing the matter. We might have to have it open the year of the Olympics. We also have to have a good look with regard to what detrimental effect it will have, if any, on the wildlife in that area.

I was asked if I could give a brief update on the status of Mount Allan. I just want to say that it's not within the Kananaskis budget. But I want to recommend to all members — I guess I've never had much praise for the media over the number of years I've been here, but if the article of October 26, 1984, by Don Braid is an example of what the media now think about Mount Allan, it would be well for everybody to read it. If one of the pages would come forward, I'd like to have enough copies made to pass around.

DR. BUCK: I read that, and I didn't get that interpretation.

MR. TRYNCHY: With regard to Mount Allan, I think I'll leave that up to the Minister of Tourism and Small Business. But they've turned around from the negative reports they've had in the past. I understand that the runs are cut now. They're tremendous. My understanding is that it could be one of the better ski hills in Canada. Some say it's as good as Lake Louise or better, and that's pretty dam good.

There was another question with regard to whether we had some unexpected costs with regard to Kananaskis Country. I can say without any question that we have not. If the member would look at the November 6, 1981, *Hansard*, where I outlined the construction and the progress we were making in Kananaskis in some detail, that would answer that question. I might say that this is probably our last year for asking for financial support. I think we'll have Kananaskis just about completed. Barring some unforeseen circumstances such as the expansion of William Watson Lodge or something else that might come forward, we're probably just about completed.

The question was asked in regard to a road from British Columbia into Kananaskis Country. We've had that request. We will not entertain that at this time. I don't know if we'd ever entertain it. We have some difficulty in regard to wildlife in the area and also in regard to where it comes out and just what kind of effect it will have on the environment in that area.

Getting back to the golf course, I want to say that the Member for Edmonton Whitemud raised some good points. He's right on when he says that the job was done within budget. It was. It was jobs for Albertans. Right now they tell me there are some 400 people working in Kananaskis Country, all Albertans. There are some 70 people working on the golf course. I think it's just tremendous that we have that kind of facility for the people of this province. It is a world-class facility, and I guess the challenges are many. As a matter of fact, I've talked to a number of people. The last time I was there, I walked out to the 18th hole and talked to some people from the United States. I never told them who I was. I just asked them how they were doing, how it looked, what they thought of it. The response I got was, "It's just too terrific; there's too much scenery here for me to play golf; it's too great; it's unbelievable" — those kinds of things. I said, "Well, that's fine. Are you going to come back?" They said, "By all means."

It's something we have to come back to. We talked about advertising. With the visitations and the amount of golf that's being played, I would hate to have us advertise to have visitors come in at the expense of local Albertan. So you've got me there; I'm probably on the side of our people, the Albertans. I think word-of-mouth is the way to advertise.

[Mr. Appleby in the Chair]

With regard to management of the golf course, we're so pleased that we have the type of people we have. We're going to meet with Mr. Kimball and his group sometime this winter in Edmonton. I want a report to me or to members of this Assembly. We'll go over and see where they're at and if we can improve on what they're doing. I might say that it's a unique project, a unique way of operating.

Somebody asked about the return on investment. My information is that we are now in the process of receiving returns on the golf course. As you all know, I mentioned last year that once the gross revenue was above \$2.5 million the government would receive 5 percent on the total gross revenue. I understand they've reached the 5 percent and over, so there is a return to

the province. I would not have expected this to happen so quickly, in our first full year of operation.

The Member for Edmonton Belmont raised the question of an international cup tournament, and I intend to raise that in my discussions this winter. I think it's a good idea, and we might have something done to that effect. But I want to see one thing happen, and I will insist that it does — that we have every golf course in Alberta invited to Kananaskis so they can bring three or four or five players down there and sell the thing when they get back home. There was a favourable response to it by Norm Kimball and group. So when the people from Barrhead or Peace River or wherever go there, they can come back and say: we've been there; let's sell it.

With regard to the sign for the markers, I will send *Hansard* to the people involved, management and other people, so they can take that as notice and probably do something about it. The sign to Kananaskis Provincial Park has been noted as being too difficult and not well marked. I too will raise that concern with Mr. Ed Marshall and see if we can respond to that.

I was asked the question, how do we keep our recreational vehicle campground neat? We have people who inspect these places. Even though it's run by the private sector, there are certain rules and regulations they follow. It's my information that they're doing a tremendous job, people are happy, and it's going the way we think it should.

I was asked to do more advertising for Kananaskis. I've responded to that. At this time I don't think I'm prepared to do it. We have a tremendous facility. It's unfortunate that we probably have to keep it to ourselves, but we can accommodate only so many people. If we do any more advertising, we might be doing it to the detriment of our own people.

The Member for Calgary McCall raised concerns about trail rides during hunting season. I wasn't aware of that but will certainly raise it with Mr. Marshall and with the Associate Minister of Public Lands and Wildlife to see if we can get some co-ordination into the system so we don't have any accidents that we might anticipate if this continues.

I expressed my thoughts on expanding William Watson Lodge. It looks like we might have to do that. With regard to roads, there is some \$8.7 million in the budget for roads. I don't have the breakdown. Whether or not Powderface is included will be based on the priorities. The roads that are needed the most will be taken care of the quickest.

There was some talk about a dress code in Kananaskis Country. It's amazing that I haven't had one concern this year at all. I had two concerns last year, but it wasn't because they were refused entry onto the golf course. To my knowledge, not one person was refused entry to golf on Kananaskis golf course since it started last year. So those people who were saying there was a dress code that was detrimental to the people of Alberta — that's just pure nonsense. I have to agree that maybe it should have been a family golf course or maybe 18 holes. But it's a tremendous golf course. It's a tough one, but I guess you can expect that when you have a world-class facility. If the hon. Member for Clover Bar only lost one ball in the 10 rounds of golf he played, that's pretty dam good.

One more thought was overnight lodging. Again, I can suggest that that will take place when we have a development at Ribbon Creek. I'm not anticipating any other facilities within Kananaskis Country within my budget, so we would have to go with that.

Mr. Chairman, I believe those are all the questions except the one by the Member for Edmonton Norwood. He suggested that he would like to hear from me whether we'll have a Kananaskis north. I would like to respond in this way: when I have

a request from him, in writing, to think about it, I'll get back to him and tell him where we're at.

MR. ALEXANDER: Mr. Chairman, I don't really want to prolong this unnecessarily, but the minister might have addressed one or two other matters raised. One, in the matter of the clubhouse and its overcrowded condition, I think there's no doubt that that's the case. But I want to add one other element; that is, after the plans for the clubhouse had been approved as a golf clubhouse, the project then became the Kananaskis Country family recreation centre, and the sign was posted on the road: open to the public. Anyone who goes there now will observe busloads of people coming in to have lunch because of the superb reputation of the dining room of serving the best bang for the buck. I'm sure you're aware that you can't get a better hamburger anywhere in the country. So just to perhaps add to what the minister already said, I think he took too much blame on himself for what was a subsequent event, and there's no question that there's a lack of capacity now.

But that raises the other point I'd like to ask. Is there a request for, room for, and support for an expanded facility in order to take care of both the golf traffic and the public traffic now using the facility? Obviously it was hard to plan for that at the very beginning, and that's a subsequent event. There is now a large, temporary inflated barbecue facility on the premises, which has eliminated part of the practice fairway, and that can't be allowed to continue forever. But perhaps there's some way to replace the facility there at the moment.

I wonder if the minister would consider it appropriate, as I would, to invite the hon. Member for Clover Bar to submit his putative budget on how he might have saved \$2 million. Having sat on the budget committee, I would dearly love to see that budget, and I think that challenge ought to be accepted.

I guess the other point is the question of a hacker's golf course — to put it in more polite terms, a family golf course. The south golf course was in fact built with that in mind. While it is still challenging, I have yet to see or hear from a golfer of any level of skill — from scratch handicappers and professionals all the way to beginners — who didn't come off the golf course and express a great deal of satisfaction, even being thrilled with it and expressing the intention to come back. So I think this is something the minister might want to respond to, both in his response here and in continuing response. This facility is one which everybody has enjoyed playing, and that includes what has been referred to here as hackers.

In terms of the financial aspect, one other element the minister didn't address, partly because I didn't make clear what I was getting at in the first place, had to do with the investment side. The minister noted that 55,000 rounds were played there in 1984. I think it's worth observing that those rounds were played at a green-fee cost of \$20 a round, despite the competition in the immediate area of \$24 or \$25 a round. There is no question that on the open market, under private ownership, \$25 to \$30 would be the green-fee round that could be commanded from a golf course of this quality. So as a matter of public policy, the green fee is limited to less than competitive facilities around it. According to my calculations, 55,000 rounds at \$20 apiece could have produced a green-fee revenue of \$1.1 million. If the green fees had been allowed to rise to the level of the nearest golf course, say Banff at \$24 a round this year, that would have crunched out to \$1.3 million. Thus there's a \$200,000 policy saving to the green-fee payers at Kananaskis Country Golf Course. I don't really believe we ought to let it slip by into silence without making the point.

In spite of that cap placed on the green fees as a matter of policy in agreement with management, they still had the kind of season that allowed them to reach the threshold level of making a profit, where a percentage accrued to the province and cut in, in the first full year of operation. That in itself is a testimony to the acceptance of Albertans and others of the quality of this facility. Quite frankly, that performance is not only outstanding but so far beyond the expectations of anybody who was involved that I thought it was worth noting.

MR. TRYNCHY: Mr. Chairman, could I just respond to this? I think it's so important that I want to do it before we forget about it. I wish I had put it in the same tone as the hon. Member for Edmonton Whitemud. It's true that when we developed Kananaskis Country, we never intended to make a profit. So the things that were done there were done for the benefit of Albertans. He was so right in making that point. I guess I should have mentioned that when we developed the clubhouse, we really didn't anticipate the amount of traffic in family skiing that we have during the winter months. That too provides some overcrowding at times. So we will have to look at the expansion of the clubhouse in time, because we've made it truly a family centre, both winter and summer.

With regard to the family part of the golf course — the so-called hackers; I won't use that term — I've talked to some people from my constituency who golf. Maybe the word we should use is "duffers". They were very pleased. They had nothing but glowing reports about the area, their golf. Even though they hit the ball a few more times than the ordinary person, such as my friend from Clover Bar, they enjoyed it. So the comment of the Member for Edmonton Whitemud is right on. Hopefully we'll all remember that it is a project for Albertans. Even though we control the fees, as he mentioned, management has found a way to get to the magic figure of covering all their costs, and there will be a return to the government in this regard.

MR. MARTIN: A couple of remarks, Mr. Chairman. I've said that we've had the golf course debate many times. The only difference is the private marketplace. It is a very beautiful course; nobody can deny it. But the fact is that it wasn't built by private enterprise; it was built by the government. I think that's the argument that people still question. No matter how many times the government says it, they — and I would have thought hon. members, private enterprisers — question the priority of government, that government should be involved in golf courses. That's the argument that will be made again and again from time to time, I'm sure.

I was rather interested in the other remark of the minister. I didn't realize I was quite so important to the minister that before government policy was decided they'd call on me and want my written brief on it and then they'd go ahead. Knowing that is of such paramount importance before any legislation is passed, I will be glad to do that. I know there hasn't been an announcement. I will word my question to the minister this way: has his department been assessing the possibility of some sort of development similar to Kananaskis in another part of the province?

MR. GOGO: I want to restrict my remarks to Kananaskis, but before I do, as a member of the select committee on the Heritage Savings Trust fund, I want to tell the minister how pleased I was that he had his staff to the committee during the summer months. I found such an excellent presentation on the progress at both Kananaskis and Mount Allan a rare treat.



I want to comment on the golf course, though. The Member for Edmonton Norwood objects, in principle obviously, to government owning and running golf courses. I'd be interested if that's applicable to Victoria Park and Riverside golf courses in Edmonton, which are owned by the city of Edmonton. Is he saying that he objects in principle to government — and that obviously includes Edmonton city — owning golf courses? I am a little intrigued at his comment. Perhaps I can put that question to him outside the House.

Minister, I went to Kananaskis early in the summer; I think it was June. I read with some degree of pleasure the plaque put there by our premier when he opened it. The opening words say that this Kananaskis Country was created for Albertans and their visitors. I'm most encouraged to hear you say that we will not go on a massive advertising campaign across America, in the name of privatization or any other "tization", trying to bring people to Alberta. I think that's wrong. As to the highway coming in from B.C., I would have great difficulty, on the one hand, supporting that — and I respect the Member for Highway — and at the same time being one of the major opponents of Highway 22 coming up.

I do want to mention, though, the lodge or restaurant or whatever it is. I've got a confession to make. When I visited in June and had an excellent steak sandwich, I was very impressed. The price was reasonable, and at that time I felt very strongly: if you want to golf at Kananaskis, stay out of the restaurant and let us tourists use it. I did not think there was any room there to accommodate golfers. However, as of mid-July, my wife got me golfing. Now I've had a change of view, and I'm inclined to think that it should be exclusively used for those who golf.

The final comment: I have some discomfort with the views of the Member for Edmonton Whitemud quoting what an excellent buy it is at \$20 because surrounding areas are \$24 or whatever. I see no relationship whatsoever. If you've got to base green fees on costs, so be it, but let's not get into the hassle of charging Albertans again. The fact is that their money provided that golf course. Let's keep those green fees at a reasonable level so most Albertans can utilize the golf course.

MR. TRYNCHY: In regard to the comments by the Member for Edmonton Norwood, Mr. Chairman, the only reason I raise the issue of his responding to me in regard to Kananaskis north is that every time we do something he likes to take credit for it, so I thought I might as well give him the credit to start with.

I have to take issue with his comments in regard to government removing the private sector. That's not the case at all. It's not the only place where we have developed a golf course. I can mention two others: Cypress provincial park and Gooseberry provincial park. I note a number of ski hills developed within provincial parks, such as Cold Lake and Cypress again. So we do this, but we turn it over to the private sector. A good example is the Strathcona Science Park, which is right here in Edmonton. We developed it from the heritage fund, because the private sector wouldn't do it, and turned it over to the private sector.

But when you take a total provincial park such as Kananaskis Country, we always dwell on the golf course. It's only a small part of what's there. It's \$10 million out of the \$180 million or \$200 million. We should also look at William Watson Lodge, the 3,000-plus campsites, fishing ponds for the handicapped, the equestrian, hiking, and bicycle trails. Let's not just say to Albertans: don't go to Kananaskis Country; it's just a golf course. That's completely wrong. We're doing a number of things there, and we owe it to our people to do it. We've done

it, and I'm pretty darn proud of it. I'm sure all Albertans are too.

MR. MARTIN: A supplementary question to the minister. I didn't know that the government and free enterprise and all sorts of things were such sore points with people. I made the comment that at this time I didn't think it was the appropriate place. If you recall, I also said that it's there. I as an Albertan encourage people to use it. There's no use complaining about Kananaskis after the point. It's there, and we'll use it. But the thing I was trying to get to mainly is, was there any assessment? The minister keeps avoiding it, I don't know whether deliberately or not. Is there any assessment about any other development?

MR. TRYNCHY: I'm sorry, Mr. Chairman; I had it written down. The hon. member will recall that I've said a number of times, inside and outside the House, that it's my view that we should have a Kananaskis two, a Kananaskis three. I think it's a tremendous thing to develop for Albertans. So yes, we are assessing the situation. Just when we will develop Kananaskis two or three is down the road.

Agreed to:

Total Vote 1 — Kananaskis Country  
Recreation Development

\$18,148,000

## 2 — Urban Parks

MR. CHAIRMAN: Are there any questions or comments?

MR. KOWALSKI: Mr. Chairman, the last hour and a half has essentially dealt with golf course related matters. In my enthusiasm to get involved in this discussion with respect to golf courses, I got up and was ruled out of order. Basically I want to deal with it in connection with an urban park — Waskasoo Park in Red Deer. There seems to be some misunderstanding, and I ask the minister to clarify today whether or not the urban parks project dealing with Waskasoo Park in Red Deer will in fact have a golf course funded under the Alberta Heritage Savings Trust Fund. It's my understanding that Waskasoo Park is administered locally, within the confines of the municipality of Red Deer. There is a policy and management committee that reports directly to the Red Deer city council. In recent weeks there's been some public discussion with respect to the role played by certain civic officials in the city of Red Deer in undertaking a trip to a certain part of the United States to investigate golf courses in that area. It's really that one clarification that I ask from the minister at this point in time. What is the role of the Alberta Heritage Savings Trust Fund and his department with respect to Waskasoo Park and the potential of a golf course being developed as part of that facility?

MR. CHAIRMAN: The hon. Member for Red Deer.

MR. McPHERSON: Thank you, Mr. Chairman. It's interesting to be asked to participate in this debate after the comments of the Member for Barrhead. I don't want to answer for the minister, but I was going to raise that very subject and some others. I guess one might say it's my annual opportunity to do a little bragging about the enormous contribution and the enormous efforts that are being made for what really is a jewel within Red Deer; that is, Waskasoo Park.

With regard to the plan for the golf course within the Waskasoo Park in the river valley in the city of Red Deer, Mr. Chairman, I would like to mention that the Member for Barr-

head and other members should know that there is indeed a management committee and a policy committee. Ultimately the decisions with respect to facilities that will be available in the Waskasoo Park are made by the city council. There were extensive public meetings throughout the initial stages of the planning for Waskasoo Park. The subject was raised of course; there were numerous public meetings that expressed an interest in developing a municipal golf course or a golf course within the park. There was ample opportunity for all interested people to develop input to that. Furthermore, the policy committee made its recommendation to the city council. City council determined that a golf course within the park would be an appropriate use. It might be stated, though, that a golf course within the Waskasoo Park likely would have occurred within the city of Red Deer in due course in any event, similar to, as the Member for Lethbridge West pointed out, the municipal golf courses that are available in the city of Edmonton.

There are approximately 10 golf courses in the surrounding area. It would be hoped that the city council in their wisdom would make every effort, in cognizance of competition against private golf courses in the area, to ensure that fees would be established in such a way that they would not unduly compete with private-sector golf courses. As one of the individuals said at our recent policy conference last week, we must always be cognizant of competition against the private sector. As a golfer, I think it's fair to say, though, that good courses attract golfers. They not only attract new golfers but good golf courses have a tendency of keeping golfers in golf. I had a comment with a professional at the Red Deer Golf and Country Club, which is considered one of the finest golf courses in Alberta, ranked third or fourth, I think. They have no concerns whatsoever as to the possibilities of another municipal golf course in Red Deer. Indeed, they think it will make people become more aware and get them involved in golf and will spin off directly to their private golf course. As the individual at the policy conference said to the Member for Barrhead, we have to be considerate of competition against the private sector, or as the elephant said as he was dancing amongst the chickens, it's every man to himself.

Mr. Chairman, with those remarks on the golf course — and I may come back — I would just like to offer a few remarks on the overall Waskasoo Park. The park became a reality on July 12 of this year when the Premier opened two major sections. After unveiling the Heritage Ranch portion, the Premier got on his bicycle and cycled down the bicycle trail and across the river to the formal stage at the Bower Ponds, where he was welcomed by a very large crowd of spectators and fanfare and drums and the Red Deer royal band. He said at that time: you've got it together; you made it a park for people. That's what he said in congratulating the city and the residents of Red Deer on the fine establishment of Waskasoo Park, made possible through the \$28 million grant by the Alberta Heritage Savings Trust Fund.

Mr. Chairman, the history of Waskasoo Park dates back to what was known as a river valley concept originally prepared by the Red Deer Regional Planning Commission in 1975. While it was approved in principle by the city of Red Deer at that time, I guess it would be fair to say that many felt those plans were at best futuristic and possibly impractical. But six years later we were fortunate when the province announced the exciting urban parks program. It's because of that ongoing commitment through the Heritage Savings Trust Fund that Red Deer is seeing the preservation of its river valley. The city has requested that the plan be established, which of course it has, and it is well in hand.

I want to make another brief reference to the many, many months of public meetings and the close association with the

minister's department on the master plan and completing that. It was finally approved by City Council in April 1982. The plan envisages a major 1,000 hectare park. It's going to link park facilities throughout the river valley and obviously enhance the opportunity for recreation and enjoyment by many citizens of Red Deer, indeed by many citizens throughout central Alberta. But it's more than just a park, Mr. Chairman. It's an open space network. It provides many, many potential recreational opportunities.

I'd like to touch just very briefly, Mr. Chairman, on some of the facilities available throughout this park. I alluded earlier to the first one: the Heritage Ranch, which is a totally new park adjacent to Highway 2. It would be highly recommended that hon. members on their way by or through Red Deer to Calgary or Edmonton stop by and view the Heritage Ranch. It's a large natural area. It has a loop of the river and contains a great variety of environments, including forests, forest escarpments, bottomlands, open fields, and a lake with a windmill. It has a heavily wooded escarpment of spruce trees, which it's expected will provide an important wildlife habitat. Much of this, of course, has been preserved in its natural state. It's linked with another section of the overall Waskasoo Park by a regional bicycle/pedestrian trail system that meanders through the river valley and accesses the other side of the river by a new bridge. It will also have an elaborate trail system that will provide cross-country skiing this winter.

Essentially, Mr. Chairman, the Heritage Ranch is divided into two areas: the upper and lower parts. On the upper part, we find an equestrian day-use centre and a gymkhana area. There's a restaurant, an information kiosk, and a viewing tower with a bam and tack room. Facilities offered by the concessionaire, which incidentally has been let out to the private sector, include riding lessons, horse rentals, and hay rides during the summer, and during the winter sleigh rides are also available. In the lower area the picnic sites, together with the washroom, warming hut, and picnic shelter, provide access to people in both winter and summer. There's a large fishing lake and an extensive network of hiking and equestrian trails, which will be set out for cross-country skiing and equestrian areas.

Across the river, Mr. Chairman, we have the Great Chief Park, and that is really the city of Red Deer's major athletic park. It is now obviously an integral part of the overall scheme. It was originally established by the city of Red Deer and has been upgraded substantially since the advent of the urban parks program.

Mr. Chairman, I would like to throw in one comment, and I do at some risk. At the time the Premier made his visit to the opening of the park and made a full day of riding through the trails and opening various sectors, he made a stop at a particular area along the way which was really a warming shelter, which was dedicated by the Kiwanis Club of the Waskasoo in memory of their founder, who happened to be my father. As a family we were enormously proud and very, very touched to have had the opportunity to be recognized and to have my father recognized for his efforts in the community. It truly was an important day in the lives of my brothers and my sister, all our wives, and of course all our children.

Past that, Mr. Chairman, we proceeded on to the Bower Ponds and opened that part of the park. All in all, it was a great day. I can assure you that the citizens of Red Deer are most pleased with the park. I could never have even begun to imagine the extent to which the park is being used. It has become a focal point of community activity in Red Deer, and we're very, very pleased.

While I really have no questions for the minister at the moment, I did not want to let the opportunity pass by without

making my annual comment on the enormous opportunity that citizens have to join together in Red Deer and the most appropriate funding of this park through the Heritage Savings Trust Fund for current and future members of the city of Red Deer.

DR. ELLIOTT: I welcome the opportunity to make a comment or two about the urban park in the city of Grande Prairie. It is my observation that the development of parks and areas of recreation using natural beauty in places like our cities and towns in this province is a sign of maturity within that community. The city of Grande Prairie is no exception. We have a beautiful natural location, by the name of Bear Creek, running through the city of Grande Prairie, an area that has been preserved by all those people that have lived there over the years. They've kept this particular area in its natural state waiting for an opportunity like this Alberta Heritage Savings Trust Fund urban parks project to develop it and make it more useful, more relaxing, for the citizens of the community. While this project is entirely within the city of Grande Prairie, it is there to be used, and those portions that are finished are being used by the people throughout the constituency. It's going to turn out to be a program that will be remembered and used for years to come. This particular project is just under construction. We're into the fourth year of a six-year program.

We initiated it last fall with the turning of the sod. We met the minister there on his favourite old John Deere tractor, which only he could start. He hooked up to the plow and turned the sod. That was very well recorded in all the local papers. I invite all the members of the Legislature to come to Grande Prairie and see this park and how we view it from the constituency office window on the 11th floor of an office building.

Thank you.

MR. TRYNCHY: Mr. Chairman, I appreciate the comments of all the members. I can answer this quite quickly, for both the Member for Barrhead and the Member for Red Deer. Alberta Recreation and Parks' role in the process is to ensure that the park is developed within the mandate established for the urban parks program. That program is established by local city councils after many public hearings.

In regard to Red Deer, they had some three public meetings, and they set aside two months for the public to respond to them. They got their input, and when I check on the number of submissions they received in regard to the golf course, there were some 65 percent of the people requesting golf course facilities. That's within their jurisdiction. We helped them in their planning; we worked with them. But the people who wrote that letter—I'm looking at it myself; I received the same letter—were under the impression that the government was doing this through public funds and having the public run it. That's not the case. My understanding is that the Red Deer council has now chosen to involve the private sector in operating these facilities. So we've stayed within the mandate of trying to get as much private sector involvement in all our urban parks across the province.

Mr. Chairman, I think those are all the questions I was asked. I appreciate the comments. Hopefully we'll continue for the benefit of Albertans until the program is completed.

MR. KOWALSKI: I'm rather amused by the response of the minister with respect to this, when the minister points out that it was the result of a massive number of public hearings in a short period of time that the citizens of the community of Red Deer came forward and said that they would like to have a golf course. Surely they would, but the point in all of this is that it is the public of Alberta that will be funding it. On that point,

I would like to put forward a challenge to the Minister of Recreation and Parks. I would like him to come out to the constituency of Barrhead, and we'll go around and ask for public input with respect to an urban parks program for our community. I rest assured that my constituents would vote dramatically and enthusiastically in favour of public expenditure and some more public facilities. There may very well be a golf course in Barrhead, one in Onoway, and one in Swan Hills. The challenge is there.

Thank you, Mr. Chairman.

MR. TRYNCHY: We accept the challenge.

Agreed to:

Total Vote 2 — Urban Parks \$22,155,000

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

[Motion carried]

MR. CRAWFORD: Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

Resolved that from the Alberta Heritage Savings Trust Fund, sums not exceeding the following be granted to Her Majesty for the fiscal year ending March 31, 1986, for the purpose of making investments in the following projects:

To be administered by the Minister of Agriculture: \$5 million for Farming for the Future, \$1.365 million for the Food Processing Development Centre, and \$30 million for irrigation rehabilitation and expansion.

For the Minister of Recreation and Parks: \$18.148 million for Kananaskis Country recreation development and \$22.155 million for urban parks.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, the Assembly is sitting this evening, and I have provided a list of Bills that in all likelihood will be called for second reading this evening.

[The House recessed at 5:26 p.m. and resumed at 8 p.m.]

# head: GOVERNMENT BILLS AND ORDERS (Second Reading)

## Bill 22 Physical Therapy Profession Act

MR. KING: Mr. Speaker . . . [some applause] With that kind of encouragement, my colleagues may encourage me to speak in this House on some other occasion as well and shatter my reputation for being very quiet.

It gives me a great deal of pleasure to move that Bill No. 22, the Physical Therapy Profession Act, be now read a second time.

I'd like to draw to the attention of hon. members the presence in the gallery of Ms Marion Briggs, who is the president of the association representing approximately 450 physiotherapists practising in the province at the present time.

The Physical Therapy Profession Act replaces the Chartered Physiotherapists Act. It is consistent with the government's policy on professions and occupations and, particularly, it provides an exclusive scope of practice for physiotherapists practising their profession in this province. It also continues the association as the College of Physical Therapists of Alberta.

As a result of discussions that have been held over the summer, the government will be introducing some small amendments to this Bill at the committee stage, and I would like all members to be aware of our intention to introduce those amendments. These have the agreement of the association as well as my colleagues in cabinet whose departmental responsibilities touch on the practise of physical therapy.

The Bill is another in a long line of pieces of legislation for my colleagues in the House. But for the physiotherapists, and particularly for the 450 members of the association, it is much more than that, which is precisely why their president is here with us this evening. Hon. members are aware of a long, long process, that began in 1972 and carries through to 1984, by which we considered the development of a policy on professions and occupations, drafted policy, discussed it with interested groups, revised policy, put mechanisms in place to implement policy, set up structures.

While we look at the policy on professions and occupations from that point of view, there are a number of professional bodies in the province that have been on the other side of the fence, wanting modern legislation, a greater degree of responsible self-control, and greater exercise of control over matters of discipline and competence, not only for the benefit of their professional organization but, as well, for the benefit of the general public. The physical therapists are one of the groups that has been standing on the other side, very concerned about our progress, trying always to be helpful, and sometimes very frustrated at what they have seen to be a lack of appropriate progress on our part.

So it's a real delight for me to have the president of the association in the gallery this evening and a pleasure for me to introduce this Bill for second reading. If I haven't been clear enough already, I would certainly like to conclude by expressing my thanks to the association, its members, and especially its leadership for the unflinching assistance they have given in the development of this Act.

Thank you, Mr. Speaker.

[Motion carried; Bill 22 read a second time]

**Bill 58**  
**Corporation Statutes**  
**Amendment Act, 1984 (No. 2)**

MR. DROBOT: Mr. Speaker, I move second reading of Bill 58, the Corporation Statutes Amendment Act, 1984 (No. 2).

This Bill proposes several amendments to both the Business Corporations Act and the Companies Act. These amendments deal with the naming of corporate bodies when revising or restoring companies. Most of the amendments change references found in both the existing Acts in order to accommodate some minor changes.

Section 261(12) of the Business Corporations Act will be changed so that Alberta companies that were created by amalgamation after February 1, 1983, will have to apply for a certificate of continuance not later than January 31, 1986. An

amendment to the Companies Act will mean that the Alberta companies that have been struck off the registrar's list will lose their name if another company has been incorporated under the name after three years. The remaining amendments clarify and accommodate these changes in both the Companies Act and the Business Corporations Act.

Mr. Speaker, these amendments would come into force upon Royal Assent.

[Motion carried; Bill 58 read a second time]

**Bill 59**  
**Department of Culture**  
**Amendment Act, 1984**

MRS. LeMESSURIER: Mr. Speaker, I move second reading of Bill No. 59, the Department of Culture Amendment Act.

Mr. Speaker, that Bill authorizes the minister to charge fees for services and seminars and to charge rental for the auditoriums and other facilities. It also allows me to operate bookstores at cultural/historical facilities.

[Motion carried; Bill 59 read a second time]

**Bill 60**  
**Election Finances and Contributions**  
**Disclosure Amendment Act, 1984**

MR. PAYNE: Mr. Speaker, it's my pleasure this evening to move second reading of Bill 60, the Election Finances and Contributions Disclosure Amendment Act, 1984.

Mr. Speaker, in making the motion tonight, I'd like simply to point out to the members that the important principle of this Bill is contained in the amendment that introduces the concept of a "prohibited corporation" with respect to the making of political campaign contributions. Prohibited corporations are defined in the Bill to include "any Provincial corporation and any subsidiary of a Provincial corporation" and, further, to include "any corporation designated by the Lieutenant Governor in Council". This latter amendment, Mr. Speaker, is intended to cover those corporations that are not technically provincial corporations but in which the government's equity position, for example, is such that theoretically the government could influence a judgment or a decision with respect to the making of a political campaign contribution.

In summary, Mr. Speaker, tonight I'd like to ask the support of the members in my second reading motion.

MR. R. SPEAKER: Mr. Speaker, I would certainly like to add my support to the hon. minister's Bill No. 60. I would like to compliment the government — and hopefully I do this in a very humble way — for looking at an issue in terms of principle and making the judgment on the issue itself, that the amendment is something that can add to our operation as political parties. It can add safety in terms of contributions to various political parties. I feel it was very honourable of the government to do that. I certainly want to stand in my place and give all compliments and dues that are due at this time.

MR. MARTIN: Mr. Speaker, I too will support the Bill. I would ask the minister, in closing debate — because when he brought it in there seemed to be some confusion, or maybe it was when I read the press reports — to indicate what "any Provincial corporation and any subsidiary of a Provincial corporation" means. Is it 15 percent ownership? I think the example of PWA was used. Does it mean any provincial corporation

or any subsidiary, period? Or does it mean partly, that there's a certain percentage?

I'm just a little curious about (iii), Mr. Speaker, "any corporation designated by the Lieutenant Governor in Council". Is that just a safety network? What corporation may fall into that, or what were they worried about in bringing in (iii)?

MR. SPEAKER: We're possibly getting into the committee stage here, but may the hon. minister conclude the debate?

HON. MEMBERS: Agreed.

MR. PAYNE: Mr. Speaker, I welcome the chance to briefly respond to the two questions raised by the Member for Edmonton Norwood.

On the first question, I think an important principle to bear in mind is not a particular number; that is to say, a number of directors on a board or a particular percentage of shares or ownership on the part of the government. Those are the subject of subsequent definition and work following a period of research to see just what's out there. What is important to remember is that regardless of the number, the principle is that if the government were in a position because of its equity position, whatever it is, or because of its board of directors complement, whatever it is, to influence such a judgment, then it would be a prohibited corporation by definition.

As to the second question, the concept of a prohibited corporation as defined by Executive Council is to catch those companies that are not in fact provincial corporations but whose government ownership is such that they could theoretically be subject to such influence. We felt we needed that kind of Lieutenant Governor in Council option to catch those companies that are in such a position but are not technically provincial corporations.

With those concluding remarks, Mr. Speaker, perhaps I could move second reading of Bill 60.

[Motion carried; Bill 60 read a second time]

#### **Bill 61 Wild Rose Foundation Act**

MR. PAYNE: Mr. Speaker, on an entirely different note, I'm happy to stand again tonight and move second reading of Bill 61, the Wild Rose Foundation Act.

This legislation results from a six-month review of the lottery system in the province conducted by a government task force chaired by my colleague the Minister of Consumer and Corporate Affairs. It was my privilege to be a member of that task force. Members will recall that as a result of that six-month review, earlier this year the Minister of Consumer and Corporate Affairs announced major changes in the way in which lotteries profits are to be distributed in Alberta. Among the recommended changes was the recommendation for the establishment of a new foundation, to be called the Wild Rose Foundation, which would receive a \$4.5 million endowment and a 5 percent annual share of lotteries profits, with a cap of \$1 million.

Mr. Speaker, the purpose of this foundation is described in section 3 of the Bill, in which it indicates that

the Foundation is to provide funding to volunteer non-profit organizations that provide necessary and valuable community services to Albertans ...

It follows in that same section that groups that have previously been or indeed that are currently entitled to apply for grants from other foundations that are funded by lotteries profits,

notably those of a cultural, athletic, or recreational nature, would be excluded or would not be considered appropriate applicants to the Wild Rose Foundation.

I might mention that section 6 of the Bill authorizes the minister to provide guidelines to the foundation and its board. In preparing such directions, it would be my intention to include consideration of such factors as the number of citizens who benefit from the work of that association or organization, the level of past and current fund-raising activities on the part of that organization, and the ratio of volunteer workers to paid workers within the organization.

Mr. Speaker, in summary I would like to add that I believe the Wild Rose Foundation has great potential to assist the volunteer sector of the province. I certainly hope I have the support of members tonight in my second reading motion for Bill 61.

MR. GOGO: Mr. Speaker, in speaking to Bill 61, I strongly endorse the principle of a new foundation being named after our official flower of this province, the Alberta wild rose. I think it's absolutely essential that we in government recognize the strong role played by volunteer services and groups throughout the province. As helpful as the Recreation, Parks and Wildlife Foundation has been, it is my understanding that there is still a void. I believe it's the suggestion of the minister that that's what this foundation was created for.

I have a couple of concerns that could undoubtedly be covered at the committee stage. Perhaps in closing debate the minister might simply mention one or two examples under section 3(h) of those organizations that are receiving grants from the Western Canada Lottery Foundation, and save the House some time at that point. I'm simply not aware who they are.

Mr. Speaker, I know the other concern I have is probably not necessarily founded. The minister has indicated that under section 6 he would be providing guidelines to the foundation as to how it should function. As he has already stated, its primary purpose is to support volunteer groups in the province. Perhaps in closing debate the minister could elaborate a little further. Will the House know only once a year on the basis of an annual report, or would it be the minister's commitment to periodically keep the House up to date on what those guidelines would be?

MR. SPEAKER: Does the hon. minister wish to conclude the debate?

MR. PAYNE: Perhaps I could make a concluding comment tonight, for the benefit of the Member for Lethbridge West. For the past number of years, lotteries profits or a share thereof have been disseminated to various organizations throughout the province by way of foundations and councils that have a cultural or recreational or athletic aspect to them. Seven or eight of those are in fact identified in section 3.

I might add that there could well be other organizations that have not in fact received a share of lotteries profits but who have in fact received considerable government funding from other sources not related to lotteries. These too we would have reservations about, when it comes to making our determinations with respect to organizations and associations that make application to the Wild Rose Foundation.

Now I've forgotten the second question.

MR. GOGO: Section 6.

MR. PAYNE: Oh, yes. The member asked if I could make an undertaking to provide the House with periodic information or

reports, other than the annual report, as to the question of guidelines. I think I'm quite prepared to make such an undertaking.

With that, Mr. Speaker, I would like to conclude the debate tonight and ask for support of the House members with respect to Bill 61, second reading.

[Motion carried; Bill 61 read a second time]

**Bill 62**  
**Retirement Annuities Repeal Act**

MR. OMAN: Mr. Speaker, I move the second reading of Bill 62, which is the Retirement Annuities Repeal Act.

This is a very simple, straightforward Act in the sense that what this does is remove legislation which is at once repetitive and obsolete. Subsequent legislation has taken care of all the conditions of the legislation that is being repealed, and I'm assured that all people who were covered under the old are covered under the new legislation.

[Motion carried; Bill 62 read a second time]

**Bill 63**  
**Fuel Oil Tax Repeal Act**

MR. THOMPSON: Mr. Speaker, I am pleased to move second reading of Bill No. 63.

I'd like to make a couple of comments. I'm very pleased to see this type of legislation going through the House at this time, because I happen to be on a regulatory reform committee and this is some of the first fruits it's bearing. The Fuel Oil Tax Act was introduced in 1955, and it set up the conditions and the administration of the taxing of fuel oil in vehicles in Alberta. In 1978 we passed the Fuel Oil Administration Act. The reason is that we took all the tax off fuel oil except the railroads and aircraft over 34,000 kilograms.

So really this Act is redundant; it's been superseded by the Fuel Oil Administration Act. I urge all hon. members to support second reading of this Bill.

[Motion carried; Bill 63 read a second time]

**Bill 64**  
**Municipal District of Cypress No. 1**  
**Incorporation Act**

MR. HYLAND: Mr. Speaker, it is my pleasure to move second reading of Bill No. 64, Municipal District of Cypress No. 1 Incorporation Act.

As I said in first reading, this Act will enable the advisory council of the existing improvement district No. 1 to continue to be the first council of the municipal district of Cypress No. 1. It will allow the people of the area and the advisory council a full role in governing their own affairs.

Mr. Speaker, there's been a long history working up to this Bill. Sometime in the early or mid-30s, I believe this area had something like 21 or 28 municipal districts. Then they had their problems, and they ended up with improvement districts 1 and 2. A number of years ago it was changed to improvement district No. 1.

The present advisory council of the improvement district was elected in the last municipal elections. Shortly after that time, they met with the Minister of Municipal Affairs, who suggested to them that they should consider the option of incorporating their improvement district and carry on the full role

of a municipal government. Other meetings have gone on since then with the minister, where they discussed their concerns about what would happen with incorporation. There were also information meetings held, ending February 16 in Medicine Hat. At these meetings, the main concern of the people in the area was that of tax recovery land. This area has a large amount of tax recovery land, fairly close in percentage to what is in the Special Areas. One estimate was 740-some quarters of tax recovery land in the proposed municipal district boundaries. The concern at those meetings and from the advisory council was the need of handling that.

To that end, Mr. Speaker, the advisory council made recommendations to the minister for a proposal of sale of the land to the leaseholders for certain sums of money, which has been set on each land. They offered financing and a set interest rate. There are quite a large number of owners who are willing to buy their land or have expressed desire to buy their land if they can meet the conditions. This isn't included in the Act but is to be worked out with the minister. Probably within a week or two at the most, all the conditions on that will be worked out. Then we'll be ready to carry on with that portion of the incorporation.

The improvement district council held a contest to name the new area. The preferred name, the name that was submitted by the contestants and was picked by them, was wild rose municipal district. There was a problem with the Department of Culture thinking that was a bit of a conflict. So after discussion with me, the minister, and the Member for Bow Valley, the district decided to opt for their second choice, municipal district of Cypress. The big concern was that if it ever became a county, it would be wild rose county and would conflict with the provincial motto of wild rose country. The improvement district council said that that would be okay as long as the cheques went to them, as long as the bills didn't go along with them. They weren't nearly as concerned, but they thought, being normal practice, the bills would probably go before the cheques. So they opted for the second choice.

Mr. Speaker, the first section of the Act is definitions, the second section creates and names the municipality, and the third section dissolves the improvement district and defines the transfer of the responsibilities, assets, et cetera, to the new municipal district. The next section, dealing with the Minister of Transportation, provides for a 15-month transfer period so that the new municipal council can take over those responsibilities in a staged manner and can work into it. As most members know, in improvement districts the Department of Transportation provides the highways, roads, et cetera. This is quite a responsibility, and the council was desirous of taking it over, over a period of time.

The next section provides for the making of regulations under the Act. The next section provides for legislative authority of the improvement district for property assessment values; they will be transferred to the new municipality. The seventh section is the next section — I don't think the numbers on my information jibe with the numbers on my Bill. The second last section is really the reason for the Bill, and that is to provide for the continuation of the present advisory council to the next elections that will be held in municipalities throughout the province. I believe the Local Government Act would, by an order, allow that a municipality could be created, but it doesn't allow for the continuation of the council. In this instance the council has been negotiating for some time for various things, the transportation portion for one, and has made certain commitments. They had to know a number of months ago that they would be the council, that those commitments would be made — that it would be the same people on the council so they

could make these commitments and plan a reasonable and steady takeover of their responsibilities.

The last section, Mr. Speaker, calls for the Act to come into force on January 1, 1985.

One of my colleagues in the Legislature who owns some land in the improvement district sent me a note that asks, what does it do for my taxes? Over the last four years, improvement district No. 1 has steadily been working toward carrying the full load itself through its tax base. The provincial government has slowly removed the excess funding, which many improvement districts receive, that it was getting previously. That funding has been slowly removed, and the municipality has been paying for itself. The taxpayers have been paying for their services throughout this time, so hopefully it won't increase the taxes.

Thank you, Mr. Speaker.

MR. KOZIAK: Mr. Speaker, I'm pleased to join in the support of second reading of the Bill to incorporate the municipal district of Cypress No. 1. The Speech from the Throne made reference to the concept of privatization that our government has been implementing in many areas. I see the move we are going through this evening as a further step in privatization. We are in fact taking a responsibility from the central, provincial government and shifting it to the private sector, to local government. In doing so, we are encouraging people to make their own decisions rather than having government make those decisions for them. Those decisions will be made at the local level, and I'm sure they will be decisions that reflect the wishes of those who elect that local government.

Mr. Speaker, it's a proud moment. As with any birth, the incorporation of the municipal district of Cypress No. 1 has some pain. However, it's something that had to come. Looking at the improvement district, one finds it's larger by far than the average municipal district and county in this province. But at the same time it has an assessment per capita which is substantially higher than the average and which bodes well for the future of the municipal district. In fact, the assets of the municipal district, as it will be on January 1, 1985, far exceed the liabilities. The annual revenues far exceed the annual expenditures. In fact, the municipal district of Cypress would be a proper example for the country of Canada, which at the moment doesn't know what it's spending more than it takes in, but there are some suggestions it's in the vicinity of \$35 billion. Perhaps reversion of the country to improvement district status might be the role that is necessary to get that financial situation in order. In any event, we have an improvement district that has the financial muscle and the local strength to make decisions, and I'm pleased that this step is taking place this evening.

I was surprised, Mr. Speaker. I first raised the concept shortly after my appointment to this post, at a meeting of the Association of Alberta Improvement Districts on March 1, 1983, at the Edmonton Inn. This was their annual convention. I suggested to the improvement districts at that time that there were improvement districts that were at the threshold of incorporation, at the threshold of assuming responsibility for their own affairs. They only had to turn the doorknob and cross over that threshold to full local government. I expected that we would have improvement districts at the steps of the Legislature, clamouring for local government. I didn't expect that it would be necessary for me, identified in the headlines of one of the local newspapers as a "kind dictator", to have to meet with the people of the area to convince them that they should assume the responsibility of local government for themselves. However, I think the meetings that have taken place through the area — at Hilda, Irvine, Suffield, and Medicine Hat — did

convince the people, notwithstanding the fact that a previous plebiscite turned down the concept of incorporation, that this is the route they should take.

Mr. Speaker, on this historic occasion I want to pay special tribute to the advisory council, who by this legislation will continue as the council for the new municipal district: Floyd Haas, their chairman; Dennis Herman; Larry Deering; Harvey Seitz; Richard Bassett; Harold Congram; Gordon Scott; Jack Osadczuk; and their manager, Lutz Perschon.

I should point out, Mr. Speaker, that there is some benefit to the Department of Municipal Affairs and to this Legislature. We are all concerned about controlling our expenditures and about the number of civil servants. There will be a reduction in the manpower complement of the Department of Municipal Affairs as a result of this incorporation. I expect there will be a direct reduction of five positions with the incorporation of improvement district No. 1 to municipal district No. 1. In addition, there will be a further reduction of five positions when we have the opportunity to pass the legislation that my colleague from Rocky Mountain House will speak to. Coupled with those specific reductions, there will be general reductions of two positions in the department because of the elimination of these two improvement districts. So there are those benefits to the department and to the Legislature.

With those brief comments, Mr. Speaker, I want to wish the council, under their chairman Floyd Haas, well as the new municipal district of Cypress No. 1 when they assume that role and that responsibility on January 1, 1985. I would also like to compliment my colleague the Minister of Transportation, the Hon. Marvin Moore, for his efforts in working with the current improvement district/MD-to-be in ironing out all of those transitional matters that are involved in the municipal district subsequently assuming responsibility for transportation in their area.

I, together with my colleagues from Bow Valley and Cypress, join members in the Legislature in again wishing well to the new municipal district.

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

HON. MEMBERS: Agreed.

MR. HYLAND: Thank you, Mr. Speaker. I left some information for my conclusion of debate, and one disadvantage of talking after the silver-tongued Minister of Municipal Affairs is that he doesn't leave much to be said. I had in my notes to thank the advisory council for the tremendous work, time, and effort they've put into the incorporation negotiations, and he's already done that.

So, Mr. Speaker, I'd like all members to support second reading of the Bill. Thank you.

[Motion carried; Bill 64 read a second time]

#### Bill 65

#### Special Areas Amendment Act, 1984

MR. KROEGER: Mr. Speaker, I would like to move second reading of the Special Areas Amendment Act, 1984.

What has been said by the Minister of Municipal Affairs and the Member for Cypress applies in a general way, except we're two steps removed. This Act incorporates the Special Areas Board that already administers the area and brings democracy a little closer to southeastern Alberta.

MR. KOZIAK: Mr. Speaker, I'm pleased to stand in support of second reading of this piece of legislation. I join in the

comments of the mover of the Bill, the MLA for Chinook, and add my support to second reading of Bill No. 65.

Mr. Speaker, in adding support to second reading, I should share with hon. members the fact that while the incorporation of the Special Areas by this legislation does not take it to the same level of local government as the incorporation of a municipal district or a county in the same sense as Bill No. 64 does for Cypress, it does take the Special Areas one step further removed from the provincial government and one step closer to local government.

It will mean that 99 positions currently in the Department of Municipal Affairs will be transferred from the department and will form part of local government in the area of Chinook. That will of course reduce the overall complement of employees in the department.

Under those circumstances, I join with my colleague Mr. Kroeger, the MLA for Chinook, in supporting second reading of this Bill and also in wishing well to the Special Areas Board and to all the employees of that Special Areas Board as they discharge local government functions for the benefit of the residents of the Special Areas.

[Motion carried; Bill 65 read a second time]

**Bill 66**  
**Reciprocal Enforcement of**  
**Maintenance Orders Amendment Act, 1984**

MRS. FYFE: Mr. Speaker, I'd like to move second reading of Bill 66, which is the Reciprocal Enforcement of Maintenance Orders Amendment Act, 1984.

As the name implies, the Act is a reciprocal Act, which means that it is based on the certainty that all jurisdictions that enact the legislation will deal with the matter in the same way. At the present time, there are seven jurisdictions in Canada that have passed the Reciprocal Enforcement of Maintenance Orders Act. The amendment in Bill 66 involves the repeal of section 7(7) and the substitution of two new subsections in its place.

The new subsection (7) enables the respondent, who is usually a husband, to apply for a provisional variation of the maintenance order in Alberta when the original order was made in another reciprocal jurisdiction. In this case, all of the evidence in the provisional order would be sent to the reciprocating jurisdiction to be confirmed by the courts in that same jurisdiction.

The second new section that is added to this Act, subsection (7.1), involves two situations where the Alberta court itself could grant a final variation order. The first of these is where the recipient of the maintenance payment, which usually involves the wife, has moved out of the jurisdiction which originally granted the maintenance order and into another reciprocating state or jurisdiction. The second of these situations is where the recipient has moved to a jurisdiction which is neither the jurisdiction which granted the original order nor a reciprocating state. In each case, the respondent must be given an opportunity to speak to the issue before the court, but it is the Alberta court that is empowered to vary or to rescind the original maintenance order. The change is that the existing section 7(7) does not distinguish between the reciprocating state which originally granted the order and any other reciprocating state.

Further, the current subsection enables an Alberta court to grant a final variation of an order made, for example, in another province of Canada. Under the amendment the change will mean that Alberta can merely make a provisional variation order, and it would be up to the neighbouring or other juris-

diction which originally granted the maintenance order to decide if it will confirm that provisional order.

It may sound slightly complicated, but they are quite simple amendments to the Act, which I would ask members of the House to support.

[Motion carried; Bill 66 read a second time]

**Bill 67**  
**Water Resources Amendment Act, 1984**

MR. KROEGER: Mr. Speaker, this is the Water Resources Amendment Act.

There are two elements that are meaningful: one, it increases the penalties for infractions; and, two, it makes it possible for us to remove some elements in the Act that are no longer applicable.

[Motion carried; Bill 67 read a second time]

**Bill 68**  
**Environment Statutes Amendment Act, 1984**

MR. BRADLEY: Mr. Speaker, I would like to move second reading of Bill 68, the Environment Statutes Amendment Act, 1984.

Basically this legislation extends to the Special Waste Management Corporation the responsibility for storage, collection, transport, treatment, and disposal of hazardous wastes. The Special Waste Management Corporation will, wherever possible, contract with the private sector or may authorize others to carry out its responsibilities under this legislation. It will provide for a cost-effective and efficient implementation of a special waste management system for Alberta. It will provide the maximum opportunity for private-sector involvement, at the same time recognizing the appropriate public responsibility to respond to legitimate public concerns, to implement a safe and efficient special waste management system for the province of Alberta.

[Motion carried; Bill 68 read a second time]

**Bill 70**  
**Municipal Tax Exemption**  
**Amendment Act, 1984**

MR. HIEBERT: Mr. Speaker, it is my pleasure to move second reading of Bill 70, the Municipal Tax Exemption Amendment Act, 1984.

The amendment that is proposed deals with nonprofit organizations that own or lease property that is subject to assessment and taxation by a municipality, yet that property is chiefly used for charitable, educational, religious, benevolent, or welfare purposes for the general public. It allows the nonprofit organization to apply, in accordance with the Act, to have that property declared exempt from assessment and taxation by the municipality.

Mr. Speaker, a case in point is where an organization such as Catholic charities operates from several buildings throughout the city of Edmonton. It leases portions of the building to such organizations as St. Vincent de Paul stores, organizations involved in counselling, immigration services, and so on. Presently those portions of the building leased by those organizations are not exempt. So this will provide for some change in the present Act, whereby these properties can be exempt if the organization goes before the Local Authorities Board.



Secondly, the amendment deals with allowing municipalities to respond to such a request in a greater time line. Presently it is 40 days, and the amendment allows 60 days for the municipality to respond to such requests.

[Motion carried; Bill 70 read a second time]

**Bill 75  
Workers' Compensation  
Amendment Act, 1984**

MR. DIACHUK: Mr. Speaker, in moving second reading of Bill 75, Workers' Compensation Amendment Act, 1984, I'd like to make the following comments.

Basically Bill 75 encompasses the recommendations of the select committee that were tabled in this Legislature at the spring sittings, at the end of May. If possible, I would like to outline some of the areas.

We've had in practice, for the last year and a half to almost two years, the position of vice-chairman. The Bill will now provide for one or two vice-chairmen, as is required, to be appointed by Executive Council from the composition of the board.

An area that gave a lot of the members of the Legislature some concern a couple of years ago was the change in 1982 from the independent operator to a proprietor. There are some amendments in Bill 75 that clarify the intent of the proprietor section but also provide for what many of the Albertans that are covered under the Workers' Compensation Act asked for. That was some identification card, similar to your third party pink card that you have under auto insurance. In that way the independent operator/proprietor would have this card and would not have to get clearance from the board every time he or she has a payment due to them but would be able to prepay possibly the minimum of three months' coverage. He would be able to work for many different employers during the time that the coverage is in effect and wouldn't have to have any clearances or holdbacks. That has been a difficult part for many Albertans.

I have had discussions particularly with the independent gravel truckers and other independent operators in this province who are looking to this kind of change. It's unique, because many jurisdictions do not provide coverage for an independent operator, as we have in Alberta since 1974. It was interesting for the select committee to find out that there are provinces in this country of ours where still the only person covered under the Workers' Compensation Act is a worker. In 1974 in Alberta, we permitted an Albertan to become a free-enterpriser and be able to buy his coverage. But we encountered other difficulties, and I believe the section on proprietor coverage will be the answer. It's been shared with some of the large employer groups. They have concurred that that may resolve some of the complaints that colleagues and members of this Legislature have been receiving.

A very simple change is also proposed in the amendment. That is not to require an employer to report an accident within 24 hours. In most cases it was physically impossible, and therefore the greatest percentage of the employers in the province were in violation. Through input into select committee hearings, we have recommended that the 72-hour provision be legislated. It will assist employers to comply with the legislation.

A very unique type of experience the board is encountering is that through the present legislation, we have the provision that doctors' medical reports are required. But now we have treating agencies; we don't identify a doctor. In some of our outlying areas, particularly in work camps, there may be a

treating agency, a first aid. Sometimes we need those reports to be able to determine the exact injury, and in the legislation we are providing that a treating agency would be required to provide a report when requested.

A very important part of this amendment is the address to the lump-sum program. Presently the Act provides that up to a 10 percent permanent partial disability, the board automatically, when the permanent partial pension is established, calculates a lump-sum payment, issues it, and sends it to the claimant. We have recommended that this program be broadened, for several reasons. One is that claimants are asking for it. Claimants want to get their lump-sum payment and do their own investment rather than waiting, hoping for another increase in their minimums. They can't do too much with the \$200, \$300, \$400 a month that they're presently getting. The amendments in Bill 75 provide that the figure of 10 percent be increased to 25 percent. I am working very conscientiously and extensively with the board to broaden it, as the select committee recommended, so that where a worker requests it, there be a cooling time, a waiting period of 30 days. But who better knows what the worker wants to do with that lump-sum payment than the worker himself?

One more area of the lump-sum program: I think there is also a benefit in the lump-sum program by the fact that in some of our provincial and federal legislation, for the first time in the last few years workers' compensation benefits are included as income. The thinking behind providing lump-sum payments is that the citizen — and a good example is the citizen close to 65 — would be encouraged to take a lump-sum payment and therefore the pension wouldn't affect their guaranteed income supplement or their Alberta supplement that is automatically paid through the program in place between the federal old-age security and our provincial social services people.

One other area I would like to add is the merit rebate/superassessment and a change to financing. The Act provides the opportunity for us to change from the present merit rebate/superassessment. As I've stated publicly, it just doesn't seem to be working. We are encouraged to retain some program, and in the report we reflected that the employers wanted some encouragement to be able to reward good employers. The amount of merit rebate that is paid out does not justify the program, because the small amount of superassessment that is collected is not saddling the bad actors. Therefore many groups of employers are facing deficits in their class. The example I use is that in 1982 the Workers' Compensation Board paid out some \$82 million in merit rebate, only collected some \$3 million in superassessment, and still incurred a \$75 million deficit. So something isn't working. For those people who are mathematicians, they might try to get an answer. The section of the amendment will provide an opportunity. The assurance has been given from my office to many employer groups that this will be in place sometime during 1985, with all intent to be able to share the new proposal to come into effect as of January 1, 1986.

The funding to industries or employer groups will now be provided — the wording in the Act states that it would be in grant form, because the Legislative Counsel advises that that's accepted terminology. We in the select committee, as we've indicated in the report, saw some merit in what they're doing in other provinces, particularly Ontario, where 1 or 2 percent of the assessment is transferred directly to that association of employers to carry out their own education program, rather than having the department of occupational health and safety do it and then charging it back to the employers, plus administration cost. The process that the Act will provide will be that the employers will then be reviewed when they make appli-

cation to the board to have this approach to fund their own safety and educational programs. This would be carried out with a joint study of a discussion paper for all the employers in that classification of employers. When that is approved, I'm planning to have that referred to the Occupational Health and Safety Council. The council, which is a tripartite council, would then make the recommendation to my office, to the Minister responsible for Workers' Health, Safety and Compensation, to recommend to the board, yes, go ahead, or even any modification. The Occupational Health and Safety Council, consisting of employer representatives, public representatives, and labour representatives, would be an ideal approach.

One of the last areas I want to touch on is confidentiality of medical information. Members of the Legislature no doubt have read and have had some appeals from their constituents who are very unhappy that they can't obtain a medical report of what was reported about their accident. We were advised that in some provinces where they have permitted a copy of the medical report to be given to the worker or the employer or both, on an appeal, this has really improved the appeal process. Therefore Bill 75 provides that in the case of an appeal, the worker, the employer, or their agent would be able to obtain a copy of the employer's report, the worker's report, or the medical report. The College of Physicians and Surgeons had some concern, but they feel that the time has come that this has some merit.

May I only share that in the province of British Columbia some two years ago, through an appeal by a claimant, the appellate division of that court ruled that a copy of the whole file must be given in the appeal. We have precedents already in some of the provinces. If we don't move with providing this information to the claimant or the employer, I believe we may be forced. Rather than wait for the courts to do it, Bill 75 provides for this amendment.

Mr. Speaker, I welcome any further debate, and I move second reading of Bill 75.

MR. McPHERSON: Mr. Speaker, I'd like to participate briefly in second reading of the principles of Bill 75. There has been some criticism of late by the media and other people with regard to workers' compensation, the availability of funds to [beneficiaries] of workers' compensation. It makes me think of some of the comments recently made by the Premier of the province and the important need for people to understand and seize the opportunities we have and to be happy about the confidence we have in this province. When I think of the media, I sometimes think they are running around blowing out all the candles and then telling everybody how dark it is.

Having said that, I think there are a great many people who don't really appreciate the kind of program that workers' compensation is in this province. I've been critical of it from time to time, perhaps in different areas. All programs certainly can be open to criticism. I'm just wondering how many people really understand the extent of the benefits available through the workers' compensation program. I look at the thing and see that we're in a deficit financing situation with the workers' compensation program. I forget what it is; the minister may mention it in concluding debate. I think it's somewhere around \$183 million. I wonder how many people understand that benefits paid prior to 1974 have really been paid out of general revenue. I always thought that the workers' compensation program was an insured program. Certainly the recipients of the program do receive funds, but it strikes me that those funds are insured by the employers and then of course the contribution by the employees. But there is a certain element of redistribution of income involved, because workers' compensation

does guarantee the benefits, and the general revenue of the province of Alberta picks up those deficits.

The minister made reference to lump-sum payments. In my view there is a terrific opportunity for many Albertans who are recipients of monthly pension benefits from workers' compensation to take advantage of lump-sum payments. Naturally they would be well advised to seek proper financial counselling in that respect, but there is terrific opportunity for Albertans to take a lump-sum payment, particularly if they find themselves in a situation that, by so doing, they may avail themselves of other programs available in the province of Alberta. I think specifically of the widows' pension program, of AISH, and other programs.

Mr. Speaker, the minister also referred to the merit rebate/superassessment situation with the WCB. I am encouraged to see that he is now giving serious consideration to changing that type of experience in which they have a defined or a set formula in regard to the payments paid in and the benefits paid out. It strikes me that there could clearly be an experience rating mechanism established. It's done time and time again in the private sector. I'll look forward to, and would be happy to participate in, any discussions involving actuarial delineation of premiums relative to benefits on an experience basis or a dividend scale type of arrangement.

Mr. Speaker, I just wanted to mention those few comments, because I'm not so sure that a lot of Albertans fully appreciate the benefits that are available through workers' compensation. Naturally they're important, and I'm pleased to see Bill 75 being introduced this evening and encourage members to support its passage.

MR. STROMBERG: Mr. Speaker, I would like to ask the minister if his committee took into consideration what seems to be one of the major areas of claim, and that is in regard to back injuries. When a worker incurs a back injury, if it's severe, it's usually a spinal fusion, disc removal, et cetera. However, later down the road, in several years' time, a spinal injury can lead to a condition of encouraging an arthritic condition. Of course the board never came out with any guidelines along this route that I know of. They seem to pass it over as: it's a sign of old age; you'll eventually end up in an arthritic condition. However, the equivalent of the workers' compensation board in England has now come out and recognized that a spinal injury can lead to an earlier arthritic condition. I see the minister is now consulting with the doctor to his right, and if the good doctor would like to give his opinion in the next half hour and in layman's language ...

However, it's been quite a concern to constituents of mine. When I think of the times that I've approached the board on behalf of my constituents, it has been with a back injury. I've approached the board many times. As a matter of fact, I think I've been over to the board on behalf of my constituents more than the minister has.

DR. REID: Mr. Speaker, I'm not getting into the debate on Bill 75 purely on the invitation of the Member for Camrose. But having worked along with the hon. minister four years ago on the select committee that resulted in the rewrite of the Workers' Compensation Act, I must say I'm delighted to see some of the changes that are proposed in this Bill that is before us, as they will really further progress the concept that was developed at that time.

There are two items I would like to comment on. One is the item regarding the release of medical information to the worker, his agent, his employer, or the employer's agent. It is true that over the years there has been a lot of concern by

professional people at the release of their reports, which have always been regarded in the past as being confidential to the board. On the other hand, with the development of the process that was started by Count von Bismarck over 100 years ago, it has become apparent that with advanced technology and with the advent of the concept of human rights, the information in those reports really does have a bearing. It may well be that the injured person has a right to that information in its fullest context rather than the traditional context of being given the information verbally or in a précis form. The concern has always been that the reports might contain information that was relevant to the adjudication of the claim but that if the information were going to be made available to the claimant, the information might not be quite so full. Surely any information that any physician or other health care professional gives to the board for the adjudication of a claim should be factual and accurate enough that it should not be altered by either secrecy or openness.

The other fact I would like to address is in the development of the lump-sum payment. When we proposed that four years ago and the concept was accepted, it was done with the concept that in actual fact in the free-enterprise system, individuals can frequently manage their affairs better than government. In addition, the value of the lump sum for some of the smaller awards for which a lump-sum payment can be made is considerably greater to the individual than dribbling out the interest on it over a period of 20 or 25 or 30 years. I back that one up as well.

Perhaps before I sit down I could make some comments in response to the invitation from the Member for Camrose. It is true that some back injuries will result in premature development of arthritis. The difficulty is the adjudication of that, since by the time we are 50 almost all of us have developed some degree of arthritis in our backs. The pensions that are given to those who have had serious back injuries or who have had back surgery are usually given on the basis of allowing for the acceleration of that condition and not to overcompensate for the inevitability of the progress of our deterioration with advancing years.

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

HON. MEMBERS: Agreed.

MR. DIACHUK: Mr. Speaker, first of all I want to acknowledge the comments of our colleague from Red Deer that all programs must be reviewed from time to time. I really think that is what takes place in this province after every general election when a select committee reviews the Workers' Compensation Act, and that's what happened this last time. It's good to hear that support for it. The only thing I hope the hon. Member for Red Deer . . . I was quickly trying to take notes when he referred to the benefits being paid on pensions prior to '74. The benefits, the original pension, are still the responsibility of that group of employers, but any legislated increases that were made in '75, '76, and subsequent years have been paid from general revenue. Mr. Speaker and ladies and gentlemen, there is no other jurisdiction that does that. Alberta is the only one. Rather than saddle employers with the legislated increases, increases in all pensions prior to '74 come from general revenue. All subsequent pensions are funded by the employers. So any increase that is legislated on a pension or an incident that occurred after '74 is paid and capitalized by the employers.

One assurance I want to give hon. members is that the board has moved on lump-sum payments during the past year. I've

seen lump-sum payments as high as 17 and 20 percent, through intervention and encouragement from my office, even though the Act only provided that automatic payment be paid up to 10 percent. We have to really accept that principle, as was mentioned here, of who better than the Albertan that takes a lump sum. Some may misjudge and end up on social services. But I think trust must be placed in the claimant to use that lump sum, and I think the rewards will be there. Through my office particularly, I have seen some stories of success where the claimant took that lump sum — \$15,000, \$20,000, \$25,000 — and really utilized it well and is not even dwelling on their disability.

One of the principles the province of Saskatchewan applied in their lump-sum program was the fact that if you pay out the lump sum to a claimant, a worker, then in subsequent months he or she doesn't worry about how to get an increase in this small pension, a couple of hundred a month or whatever it is that he receives. So rather than dwell on how to get an increase, that claimant receives his lump sum and dwells on how to utilize it. We already have some success stories here in Alberta.

MR. HYLAND: Like the MLA's paycheque.

MR. DIACHUK: Yes, like the MLA's paycheque. There are some success stories and some are squandered. Is that what the hon. member referred to?

My hon. colleague from Camrose raises a question. Back injuries are most difficult, and that is why the policy of the board is that a back injury will only be costed against the employer for six weeks. After that, the cost of a back injury goes to the general fund that all employers contribute to. If some sectors of our society had to fund all the back injuries, they would just fold up. May I also assure members that that is not an easy one, because in many cases it's not an accident; it was an incident. The worker receives a pain in the back, and then the medical profession determines that there was a degenerative condition. But the worker said: I never had a degenerative condition until I lifted that box, or whatever happened. That is the difficult part. I can only indicate that what the board has done in the last year is refer more and more of these back claims to independent consultants, because the workers are not happy with what the Workers' Compensation Board medical profession determines. So we have turned to the independent consultants, independent doctors, to determine the extent. In most cases that information is what the board bases its decision on.

I was pleased to note and it was good to hear that the hon. Member for Camrose appears on behalf of his constituents more than I do, because I have enough representation to make for the rest of the colleagues. I only wish him well in continuing to carry on the good work he's doing for his constituents in appealing to the board.

MR. STROMBERG: On a point of order, Mr. Speaker. I did not mean that I was bringing more constituents there than the minister's own constituents. I meant I was spending more time at the workman's conversation board than the minister was.

MR. DIACHUK: Mr. Speaker, I welcome that, and I'm sure all of my colleagues do, because then I can devote more time to their constituents.

I just want to conclude in one other area. Yes, according to the actuarial report I tabled the first day of the fall sittings, the deficit is in the vicinity of \$183 million. I'm advised that our program of lump-sum payments may reduce — the direction would reduce. Also we haven't had any increase in benefits,

because our benefits at the maximum are some of the highest in Canada. The fact that we didn't legislate any increase, even for the year '82, has reduced some of that unfunded liability.

The unfunded liability is one of those mysterious things that actuaries come up with. I conclude with a comment I heard from an actuary at one conference: an actuary says that if an employer wants an estimate, he goes to an accountant; if he wants some experience of a precedent, he goes to his lawyer; and if he wants somebody to give him the answer he wants, he goes to an actuary.

Thank you, Mr. Speaker.

[Motion carried; Bill 75 read a second time]

MR. CRAWFORD: Mr. Speaker, those are all the Bills proposed to be read a second time this evening.

It is intended that the Assembly sit tomorrow night in Committee of Supply. The departments that would be available for consideration would be Energy and Natural Resources, Executive Council, and Environment.

[At 9:27 p.m., on motion, the House adjourned to Tuesday at 2:30 p.m.]