

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, April 18, 1985 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SHRAKE: Mr. Speaker, I'd like to introduce one of the fine new aldermen from Calgary city council, which works so well with this provincial government, Alderman Ray Clark. I hope members of the Legislature will give him a warm welcome.

head: INTRODUCTION OF BILLS**Bill 43****Alberta Corporate Income Tax
Amendment Act, 1985**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce a Bill, being the Alberta Corporate Income Tax Amendment Act, 1985.

The primary objectives of this Bill are as follows: firstly, to put into effect the significant corporate tax manufacturing and processing rate reductions as announced in the budget; secondly, to simplify the Alberta small business deduction; thirdly, to require the Provincial Treasurer to refund or surrender a taxpayer's security if a court has ruled in the taxpayer's favour; fourthly, to amend certain penalty provisions, which would provide greater discretion to the courts.

As well, I should mention at this time a relevant matter, Mr. Speaker; that is, it is the intention of the government to amend this Act in future to ensure that Alberta taxpayers are not required to pay disputed taxes, interest, or penalties until after the first judicial hearing of the taxpayer's objection. This legislation will be introduced, possibly by way of amendments to this Bill, after similar federal amendments have been enacted.

[Leave granted; Bill 43 read a first time]

Bill 45**Local Authorities Pension Plan Act**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill 45, the Local Authorities Pension Plan Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of the Bill, recommends the same to the Assembly.

The Bill, which is an update, a rewriting of this legislation for the first time in many years, is the same in substance as those two pension Acts approved by the Legislature last fall, which were two of the six Acts administered by the government, although the unique aspects relating to local authorities are contained in this Act. It provides that all existing benefits would be maintained, and the guarantee

by the government is maintained. There is no increase in the contributions of either employees or employers at this time. The traditional quasi-judicial powers relating to the board are set forth with greater clarity, and there is a clear confirmation that pensioners may appeal to the courts on matters of law or jurisdiction. Pension policy remains the responsibility of the Legislature and the Executive Council, and the boards will provide policy advice.

[Leave granted; Bill 45 read a first time]

Bill 46**Universities Academic Pension Plan Act**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill 46, the Universities Academic Pension Plan Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of the Bill, recommends the same to the Assembly.

This Bill similarly is an update and modernization, for the first time, of this piece of legislation. It is again the same in substance as the two pension Acts approved by the Assembly last fall, although the unique aspects with respect to the university academic situation are reflected. All existing benefits are maintained, and the benefits are guaranteed by the government. There is no increase in the contribution rates at this time, and the traditional quasi-judicial powers of the board are set forth with greater clarity. There is, again, clear confirmation that pensioners can appeal to the courts in matters of law or jurisdiction.

[Leave granted; Bill 46 read a first time]

Bill 50**Pension Plan Statutes
Amendment Act, 1985**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill 50, the Pension Plan Statutes Amendment Act, 1985.

This Act refers to the Public Service Pension Act and the Public Service Management Pension Act. It is for the sole purpose of making clarifications, basically, and essentially technical changes in those two Acts, which were passed by this Legislature as rewrites last fall. This will provide that these two Acts are consistent with the provisions of the Bills which have just been introduced, and they reflect public advice and input over the past six months.

[Leave granted; Bill 50 read a first time]

head: TABLING RETURNS AND REPORTS

MR. RUSSELL: Mr. Speaker, I would like to table the 1984 annual report of the Alberta Health Facilities Review Committee.

head: INTRODUCTION OF SPECIAL GUESTS

MR. PAHL: Mr. Speaker, it's my pleasure to introduce to you and members of the Assembly 28 grade 6 students from Weinlos elementary school in Edmonton Mill Woods. They are accompanied by teachers Mr. Roger Langevin and Mr. Glenn Sharpies and by parent Mrs. Leanne Schnider. I regret not having been able to meet with the group earlier

when they arrived, but I understand I've received an invitation to join them in their class at Weinlos school. I look forward to meeting them there. I ask the class, who are in the members' gallery, to rise with their chaperons and receive the traditional welcome of the Assembly.

MRS. LeMESSURIER: Mr. Speaker, I am pleased to introduce to you, and through you to members of this Assembly, 14 adults from the Edmonton Day Centre, which is situated in the constituency of Edmonton Centre. Accompanied by their group leaders, Joan Baker and Bob Holmes, they are seated in the members' gallery. I ask that they rise and receive the very warm welcome of this Assembly.

MR. PLANCHE: Mr. Speaker, it's a pleasure today to introduce to you, and through you to other members of the Assembly, 31 bright young Albertans from grade 6 in the Chinook Park school. Accompanying them today are their teacher, Mrs. Fortin, and Mrs. Klug, Mr. Fortin, and Mrs. DeBoni. They're a little chagrined with me because I was forced to admit that from now on I'll be cheering for the Oilers. I wonder if I could ask members of the Legislature to accord them a warm welcome.

MR. FJORBOTTEN: Mr. Speaker, for the first time since I was elected, I have the privilege this afternoon to introduce a group of school children from my own constituency. I have to say that they're from a school that has the best teacher and is the best school in the best constituency in the province. [interjections] It's not debatable.

There are 42 young, enthusiastic, grade 6 students from the G.R. Davis School in Fort Macleod. They'll be in the Edmonton area for about three days. They are led by their teacher, Cathy Olmstead, who is also the wife of the mayor of Fort Macleod, librarian Janet Scott, student teacher Marie Meidahl, bus driver Al Cameron, and parents Barb Davis, Vicky Larson, Rowena Perrin, Wendy Philibert, Hennie De Koning, Calvin Crawford, and Sharon Bourassa. Mr. Speaker, I ask that members give them the usual warm welcome.

MR. MARTIN: Mr. Speaker, I'd like to introduce to you and members of the Assembly some 34 students from the Cromdale campus of Grant MacEwan College, situated in actually the best constituency in the province. Edmonton Norwood. Accompanied by their teacher, Mr. Don Whalen, they are seated in the public gallery. I ask them to stand and receive the traditional welcome from the Assembly.

head: ORAL QUESTION PERIOD

Disclosure of Ministers' Interests

MR. MARTIN: Mr. Speaker, in the absence of the Premier — I want to follow up — perhaps I can ask the Government House Leader if he could advise the Assembly if the statement on public disclosure of interest that the Premier put before this Assembly on May 2, 1973, is still the policy of the government. I'm particularly thinking of whether it is still required of cabinet ministers that they file with the Clerk of the Assembly for public inspection a listing of all lands in which they have any interest, all private companies in which they have financial interest, and business partnerships in which they have an interest.

MR. CRAWFORD: Yes, Mr. Speaker, that is certainly the policy of the government. The one thing that should be

added at the present time is something I believe the Premier may have referred to in an answer to the hon. leader earlier this week; that is, members of Executive Council are bound, as are all other members, by all the provisions of the Legislative Assembly Act. That is the beginning point, and all members are in the same position in respect to that legislation, which has its own guidelines, indeed its own statutory strictures.

Because of the additional duties of members of Executive Council, it was thought appropriate to have a policy with respect to them as well. That is the policy the hon. leader asked about, relative to the statement in 1973.

MR. MARTIN: A supplementary question to the House leader. Could the minister outline how this policy is administered and enforced and what sanctions and penalties are in place to ensure compliance by members of Executive Council?

MR. CRAWFORD: Mr. Speaker, the matter principally has two ingredients to it: one is disclosure, and the other is the absence of the prospect for any conflict of interest based on properties or shares held. I think that given those two tests, those are simply complied with by members of the Executive Council. Since it is a policy rather than a statutory matter that gives rise to filing the declaration, it is really a self-administering type of function.

MR. MARTIN: In that case, I'll move to the Solicitor General, if I may. Given that the Solicitor General has been a member of Executive Council for approximately a year, can he advise when he intends to file his public disclosure of interest with the Clerk?

DR. REID: I'm sorry, Mr. Speaker, but I thought I had done that.

MR. MARTIN: A supplementary question. To the Solicitor General's knowledge, does he have any land or is he involved in any partnership which could be defined as the sort of property or interest detailed in the Premier's directive?

DR. REID: Mr. Speaker, I'll have to take that as notice, check into the records I have, and find out whether it was indeed submitted.

MR. MARTIN: A supplementary question to the Solicitor General. Being the helpful person I always am and because the Premier made a lot of public disclosure, I would like to file for the information of members a copy of a certificate of title for a condominium here in Edmonton which is partially owned by the Solicitor General. [interjections] It's following guidelines. They're getting nervous.

If I might finish my question to the Solicitor General, I would like to ask why he has not filed with the Clerk a disclosure statement indicating interest in this property.

DR. REID: As I said, Mr. Speaker, I thought I had. I'll have to check.

MR. MARTIN: I can assure the Solicitor General that he hasn't, because we've checked. It seems that full disclosure doesn't mean much, after the Premier's statement yesterday. My question is back to the Government House Leader. Does he know on what basis the Premier made the statement

yesterday that we have full disclosure, given the absence of disclosure by at least one member of this cabinet?

MR. CRAWFORD: Mr. Speaker, I think the Solicitor General has responded quite fully and surely has by now left the impression with the hon. leader that if the statement is not physically in the hands of the Clerk, as it is for other ministers, it's a matter of inadvertence.

MR. MARTIN: That may well be, but the point is that it's a directive, and we had a lot of talk here yesterday about full disclosure. Let me follow up with one more question. Could the Government House Leader indicate what directive he intends to issue or what action he intends to take to ensure that the Premier's 1973 statement is complied with by all cabinet ministers?

MR. CRAWFORD: Mr. Speaker, I don't really have any difficulty with that at all. If the hon. leader fancies there is a government anywhere in the world where ministers don't pay attention to their leader, I think he is mistaken.

What is happening is that the statements are routinely filed and are brought up to date if there is a change. I don't have to ever file any amendments in my own case, because now that I've entered public life, my assets have not grown at all. To find themselves in that position is something that I think is a feature for the vast majority of hon. members in the Assembly.

The process, though, is that if there are changes, the amendments are filed. If there are no changes, the statement filed may indeed be several years old, but it's just as accurate as an updated, amended one if there has been no change. It is really a system which was voluntarily undertaken by the Premier that number of years ago without any legislative requirement upon him that he ask the ministers to do that, and it was indeed for the purpose of full disclosure. I believe it achieves that. If he peruses all of them, I believe the hon. leader will come to the same conclusion, as perhaps he has. The system in all respects, therefore, is functioning and adequate to the purposes for which it was designed.

The leader asked me what I propose to do to sort of crack the whip and see that some updates are filed. It is surely a matter that I would be happy to discuss with any of my colleagues whose statements are not up to date. But I won't get too angry with them, because other than the case of inadvertence we have just been looking at, I think the level of compliance is there.

MR. MARTIN: A supplementary question, Mr. Speaker. It may well be, but either we have a guideline and rules in the House or we don't. My question is to the Attorney General. He said it seemed to him this was voluntary compliance. Are there any sanctions at all if a person refuses to do it, or is just hoped that they will do it?

MR. CRAWFORD: In a system which is not required in any way by statute, I don't think there are legal penalties or strictures in any way. It's something each minister attends to on his own, and he does it.

When I referred to it as a voluntary system, I was referring to the act of the Premier in requiring ministers to do that. It is voluntary in the sense that no statute requires the Premier to ask for this information, but he has done so in any event. Not only has he done that, he has

declared that it must be public, as it has been for many years and still is.

I'm not aware of any failure in the system, except that the hon. member has chosen to draw to the attention of the House today that the one minister who was appointed midterm rather than at the time of a general election may or may not have filed a statement. If he has, the hon. leader is declaring to us that he hasn't been able to find it.

MR. MARTIN: A supplementary question to the Attorney General. The point I make is that it's voluntary compliance, because the Premier made a great speech about this yesterday.

AN HON. MEMBER: Question.

MR. MARTIN: Don't get nervous.

My question is simply this: is it theoretically possible that with this voluntary compliance we would not know all the land or business dealings a cabinet minister has? There would be no compulsion to actually record this?

MR. SPEAKER: I have a little difficulty with that. If we're going to start asking ministers what's theoretically possible, there will be absolutely no limit to the amount of speculation that could go on in the question period. If the hon. leader is looking for factual information, which he is fully entitled to do, so be it. But to ask a minister what is theoretically possible surely doesn't come within either his official duties or the rights of the Leader of the Opposition to conduct wide-ranging whatever you want to call them.

MR. MARTIN: On a point of order, Mr. Speaker. We're talking about government guidelines. Either there are sanctions or there aren't. That's simply what I'm asking.

MR. SPEAKER: The question about sanctions was asked previously.

MR. MARTIN: And I didn't get an answer. Mr. Speaker, if you wouldn't be so anxious to jump in, I'll ask the minister this as simply and clearly as I can, so even the Minister of Advanced Education can understand it: are there or are there not sanctions to comply with these regulations the Premier talked about in 1973?

MR. CRAWFORD: Mr. Speaker, I have indeed answered that at least once and perhaps twice this afternoon. I indicated to the hon. leader that there is a basic statutory obligation which applies to all members and that, obviously, there are sanctions attached to anything that is related to a statute. When you have the Premier declaring that further disclosures and responsibilities will be required in addition to the statute, because it's outside the statute, it is in that sense something that is basically just a matter of each minister completing the form and filing it with the Clerk.

I don't know how much supervision or what type of bureaucracy the hon. leader would put in place to manage a system like that. It is not such that requires management or sanctions. It is something that each minister simply does. If the hon. leader told me that my form wasn't filed, I think I'd be embarrassed, but I would give him the same answer the hon. Solicitor General did; that is, that I thought I had, and I would check. If the hon. leader were in the same position, I think he would surely give the same answer.

MR. MARTIN: We'll move on. I doubt that I'll ever have that problem. To the Attorney General. The point is that we were told there is full disclosure, and the next day we found there wasn't necessarily full disclosure.

Hospitality Expenditures

MR. MARTIN: I'll move into another interesting area, which has to do with our Provincial Treasurer, if I may direct some questions to him. We finally got the *Alberta Gazette*, and there were some entertainment costs. Given that 1983 was certainly a year of restraint — at least the rhetoric from the government was that it was a year of restraint — could the Treasurer explain why hospitality expenses were over three quarters of a million and probably closer to a million dollars in that year? And we haven't got all the figures in.

MR. HYNDMAN: Mr. Speaker, I think the reports indicate that that kind of restraint was in fact practised. In other words, there are a large number of hospitality events there which involve meetings with various interest groups around the province, meetings with people who travel from other parts of the world and Canada.

If there are any particular questions as to some individual events, I think it's incumbent upon the hon. member to put them right now. I'm sure the individual ministers who authorized them will be happy to respond. They were necessary in the interests of the province of Alberta to further the objectives of the public interest of the province.

MR. MARTIN: I sort of expected that answer from the Treasurer, but \$1 million is a lot of booze and hospitality. Let me just follow up. To be fair, the last figures were for 1983. Have any steps been taken since then by the Treasurer to cut back hospitality costs in 1984 and '85; in other words, to practise restraint?

MR. HYNDMAN: Mr. Speaker, the restraint continues to be practised. Of course, the budget is a reflection of that. By the same token, I think Albertans expect that we would show guests coming from other parts of the world, people who might be involved in trade or export with Alberta, a usual and reasonable degree of hospitality. If the hon. member will be specific — he's not yet prepared to be specific — about a certain event, then I think we'll be happy to discuss them.

MR. MARTIN: That's very kind of the Treasurer. I really do appreciate that. Let's take a look at some of the items. Could the Treasurer indicate what is entailed in debriefing Alberta and West German students that would cost nearly \$6,000? That occurred in 1983 according to the April 15 *Gazette*.

MR. HYNDMAN: I didn't personally approve that, Mr. Speaker, but I think the hon. minister who did will be happy to explain it. I think we have guests from other parts of the world, and this is one example of many where this government is prepared to facilitate arrangements and associations with other parts of the world. We'll be happy to answer questions.

MR. MARTIN: That's very nice: I'm sure they appreciate it. I thought the Treasurer looked after the finances of the

province. He's not sure what happened there, but he's pretty sure it was well spent. That's what I hear him saying.

Let's go into an other area. I thought the Treasurer might check these things. Has he checked the guest list, \$3,800 for a reception on November 3, 1983, to discover what the *Gazette* put as the "community in Ottawa" when the new executive director for Federal and Intergovernmental Affairs was introduced to the community? Has he checked to find out who the community was?

MR. HYNDMAN: I don't have the exact details at hand, Mr. Speaker, but I think hon. members will agree that an investment in making known a person from Federal and Intergovernmental Affairs to the federal group in Ottawa is a necessary, valid, and perfectly appropriate expenditure.

MR. MARTIN: I'm sure the community in Ottawa appreciated it; I'm not sure the taxpayers of Alberta did. Let's take a look at another one, which happened in the province. Has the hon. Treasurer conducted a review of the dinner menu, including the types and costs of wine and spirits, at the Attorney General's reception — maybe the Attorney General can talk to us — for the courts of Appeal and Queen's Bench in December 1983? That event cost Alberta taxpayers \$7,000.

MR. SPEAKER: This is getting to be a rather ridiculous exercise. Certainly the hon. Leader of the Opposition is entitled to get the information he is asking for. But as he well knows by this time, there is a proper way to get that information, a practical way which is provided for in the *Standing Orders*; that is, questions of detail, which these are, howsoever exciting the hon. leader wishes to make them, go on the Order Paper. To ask a minister for particulars of a sum spent in December 1983 out of the size of budget the province of Alberta has would seem to me to be a flagrant disregard of the very practical procedure which is provided for this kind of thing in our own *Standing Orders*. If the hon. leader wishes, I'll get him the number of the Standing Order.

MR. MARTIN: On a point of order. Maybe I will refresh the Speaker's memory. We tried to do precisely that in this session — I think the Speaker was in the Chair — and they refused to do it. So this seems to be the only way we can. I quote from Mr. Hyndman, who said at the time:

The basic elements of this motion for a return as requested are, and have been in past years, found in the *Alberta Gazette* and are also referred to in the directives of the Treasury Board.

That's just not the case, so how else could we do it but to bring it publicly here to get this information?

MR. SPEAKER: The hon. leader well knows — and he's done it in the past — that he may put a question on the Order Paper and ask for the detail. Obviously, from the questions, there is some of the detail in the *Alberta Gazette*. If he wants to go beyond that and get still finer detail, he can put a question on the Order Paper. I have approved for the Order Paper an endless number of questions of that kind by the hon. leader and his colleagues. There has never been any problem about it, and I can assure him that if he wants to put further questions of that kind on the Order Paper, there'll be just as little difficulty with those as there has been in the past. But to take up the time of the question period to test the memories of ministers with regard to

details that are two or more years old is just a waste of the time of the House.

MR. MARTIN: That's your opinion, Mr. Speaker, but I'm not sure it's the opinion of the taxpayers of Alberta.

Let me follow up with one more question to the Treasurer, because we got stymied before, and I can quote again from what the Treasurer said at the time. Will the Treasurer now undertake to table the details of each of the hospitality events outlined in the *Alberta Gazette* so that members of this Assembly can do their job, assess if we're getting value for the money we spend on hospitality events? Surely that's one of the things we should be assessing in this Assembly.

MR. HYNDMAN: Mr. Speaker, if the hon. member is interested in the details of some one specific event, then he can put it on the Order Paper, and the motion will be considered.

MR. CRAWFORD: Mr. Speaker, I wonder if I might add something. The hon. leader referred to a specific function. I don't want to offend against the rule that the Assembly's time shouldn't be taken in such matters, so I will try to be brief.

MR. MARTIN: You've never been brief in your life.

MR. CRAWFORD: There's a first time for everything, but we may have to wait a while.

Mr. Speaker, it does give an opportunity for me to reflect upon the value of some of these functions. In each year the federally appointed Court of Appeal and Court of Queen's Bench judges gather, usually for a period of two days, in either Calgary or Edmonton. It's alternated between the two cities. Some of the expenses with respect to those who have to travel to the meeting and stay are paid by the federal government.

They have very important agendas for those meetings. Those meetings involve a seminarlike approach and give judges an opportunity to consult on matters like sentencing, for example. It gives them an occasion to learn more about the corrections system, for example, in order that that part of their sentencing is more in the forefront of their minds. Typical of recent years is the study of the Charter of Rights and Freedoms. Also typical of recent years is picking up on an entire new regime in the law of Canada, such as the Young Offenders and, in effect, consulting and hearing seminar speakers and managing, as a result of that process, to become much better informed.

It involves a lot of people. When we have potentially over 50 courtrooms in operation in the province on any given day, dealing with such issues, it's as important for them as it is for other professionals to update and have meetings and seminars. On those occasions the province normally hosts part of the proceedings, in the sense of at least one dinner. As far as I know, I think we provide the coffee in the morning; I'm not sure. But it's that sort of thing. It is well done, it has been done over the years, and it is of very considerable value to the justice system of the province when one considers the cost measured against that.

Mercury Contamination of Fish

MR. R. SPEAKER: Mr. Speaker, my question to the Associate Minister of Public Lands and Wildlife is with regard to the 1985 sportfishing regulations and specifically with regard to the warning to anglers regarding mercury.

The other part of the question relates to a study done by the Department of the Environment for the minister of lands and wildlife. Could the minister indicate whether further measures have been taken to establish precautions or safeguards for those people who may be angling this spring and this summer for fish that contain high levels of mercury?

MR. SPARROW: Mr. Speaker, we are continually testing our fish in the province. Those test data are spread throughout our offices. The prime objective of putting the notices in the fishing guide is to make every Albertan aware that certain rivers and streams do have mercury contamination. In some cases it's to a level that we want to bring it to their attention, and we do it through that notice in the guide. They can get additional information on that if they call our offices, and there are more specifics.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The guideline accepted by the province of Alberta is recommended by National Health and Welfare, which indicates that a level of 0.5 parts per million of mercury in fish eaten is acceptable. In the report, levels up to 1.0 were found in the Red Deer, Oldman, and Bow rivers, which is just about twice the acceptable rate of mercury in the fish. Is the minister concerned about that, and are any extra precautions or notices being given to alert people to that high level of mercury in the fish in those rivers?

MR. SPARROW: Mr. Speaker, my colleague the Minister of the Environment may want to supplement my answer. The 0.5 level mentioned is half what they use as a standard in the United States, and that level is definitely a warning signal to us. Very few tests showed above that level, and as I said earlier, we continue to have the Department of the Environment assist us in tests to make sure we have that information available. The individual tests are available in our office if anybody wants to pick them up and if they want to be site-specific as to where those fish were caught.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate what type of medical or research evidence was made available to him when he accepted the policy decision to allow fish with mercury levels that high to be eaten? And why was that level accepted? Was there further evidence, or was the decision of the minister based only on the report that was done by the Department of the Environment, which recommended that pregnant women should not eat the fish and that other persons might eat it no more than once a week during the year and it would not affect their health? What is the background evidence that supported the policy decision of the government?

MR. SPARROW: Mr. Speaker, the lab at Vegreville did the report. We trusted the expertise they had in the report and used that information to print our guide. We would have to refer that question to the Minister of the Environment or the staff at that centre to get further information. I accepted the report as printed.

MR. R. SPEAKER: Mr. Speaker, what the minister is indicating to us is that the report was accepted as given but that in terms of a concern for the health of the people who ate the fish, that was it. That was the acceptable position of government at that point in time. Did the minister

look into any other medical evidence that would support a policy that has been initiated through his department?

MR. BRADLEY: Mr. Speaker, perhaps I could answer the question. I believe the advice given by the Environmental Centre at Vegreville was based on standards that have been adopted in Canada by National Health and Welfare. That advice was given to the ministry of Public Lands and Wildlife, and they took the action to advise the citizens of Alberta as to the safe levels based on the advice that was received.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Has the Minister of the Environment pursued the matter further in terms of checking medical research and advice to support the fact that in Alberta a person could eat fish at a level of mercury twice that recommended by the Department of National Health and Welfare, which is accepted by the province of Alberta?

MR. BRADLEY: Mr. Speaker, I believe I've answered the question. The report advised certain things, and those were followed and implemented in terms of the advice given to sportfishermen in the province in printing the regulation and through news releases to advise the public, and I think it has been well publicized.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister of Public Lands and Wildlife. Could the minister indicate at this time whether any conclusive evidence has been found as to the source of the mercury in the fish, and has any action been taken on that particular evidence?

MR. SPARROW: Yes, Mr. Speaker. To my knowledge no evidence has been found that any industrial use has caused the mercury contamination. It is from natural causes in our rivers and streams, and to my knowledge we have not located any other type of cause other than the natural effect of water running through the streets.

Hazardous Waste Storage at D & D Site

DR. BUCK: Mr. Speaker, my question is to the hon. Mr. Bradley, the protector of the environment. I would like to know from the minister if the Department of the Environment has recently inspected the D & D site at Nisku.

MR. BRADLEY: Mr. Speaker, the specific facility the hon. member alluded to is under the management of the Department of the Environment at this time.

DR. BUCK: Mr. Speaker, did the minister say "is" or "is not"?

MR. BRADLEY: The department is in fact the responsible manager for the facility at this time. We are managing the facility, since the owner of the facility is no longer in operation.

DR. BUCK: To the minister's knowledge, Mr. Speaker, when was the last time the department inspected the site?

MR. BRADLEY: Mr. Speaker, the department has in place a system under which the site is being managed. I'm not aware of the exact specifics as to whether the department

is there on a day-to-day basis. The facility is under the control and supervision of the department.

DR. BUCK: Mr. Speaker, we had staff go out there today. Is the minister aware that there are absolutely no security personnel on the site? What worries me is that the barrels and some of the containers are sitting out. Is the minister aware that someone could go and ram those barrels, shoot holes in them, and have a leakage? Is the minister aware that this could happen?

MR. BRADLEY: Mr. Speaker, the site is under the control of the department, and it is inspected on a regular basis to make sure that it is securely and properly managed.

DR. BUCK: Mr. Speaker, can the minister indicate what safeguards are in place? We have dikes around the oil well sites. Is the minister in a position to indicate if any precautionary procedures have been taken to make sure there is not a spill from the storage facility?

MR. BRADLEY: Mr. Speaker, as I said, the site is under the control and management of the department. It is taking those measures which are necessary to ensure that those substances in storage there are secure.

DR. BUCK: Mr. Speaker, is the minister telling this Assembly that he is satisfied that there is adequate protection and supervision by the department to make sure nothing goes wrong out at that site?

MR. BRADLEY: Mr. Speaker, I have received assurances from the department that they have taken control of the facility and are taking proper measures to ensure the site is properly under inspection and that the materials stored there are safely stored.

DR. BUCK: Mr. Speaker, are the containers all entirely under cover, or are they just out in an open area?

MR. BRADLEY: Mr. Speaker, I think I've answered the question.

DR. BUCK: Mr. Speaker, that's right, you have answered the question. You don't know. When are you going to find out and make sure that all safeguards are taken?

MR. BRADLEY: Mr. Speaker, I've advised the Assembly that the department has advised me that they are taking the necessary measures to ensure that the wastes there are being properly stored.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister confirm, then, that all hazardous wastes or PCBs on-site are under cover and in the building that was formerly owned by this company?

MR. BRADLEY: Mr. Speaker, I said the department was taking the necessary measures to ensure that the site is under proper supervision and management, and that's the assurance I've received.

MR. R. SPEAKER: Mr. Speaker, in terms of an assurance that all is looked after properly, can the minister confirm to this Assembly that all materials are under cover, inside, and not out in the open, where some kind of destruction could occur by vandalism or whatever?

MR. BRADLEY: Mr. Speaker, the former operators of the facility were under a control order to ensure that certain things took place. The department has assumed the responsibility for the management of the facility, and I've been advised that they are taking the measures necessary to ensure that takes place.

DR. BUCK: Mr. Speaker, a supplementary question.

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

DR. BUCK: Is the minister in a position to indicate if sufficient precautions have been taken to make sure that if there were a spill, it would not spill into a watercourse that is in close proximity to the site?

MR. BRADLEY: Mr. Speaker, I will take that question under advisement. I can advise the Assembly that the department has assured me they've taken the necessary implementing measures to ensure that the wastes there are securely stored. I will advise the House.

Lubicon Band Game Kills

MR. GURNETT: Mr. Speaker, my question is to the Minister of Native Affairs. On Tuesday I was at Little Buffalo and had the privilege of meeting and visiting with many of the members of the Lubicon Band. In a number of cases I spoke to these people through translators, and these people are concerned about the minister's assertion on Monday in this House that informal reports to the minister indicated a reluctance on the part of members of the band to fully report the extent of their game kills. Can the minister advise what informal sources have provided him with the slanderous information that these people are being dishonest about their game kills?

MR. PAHL: Mr. Speaker, I take issue with the hon. member's characterization. He asked a question in the House, and I did my best to answer it. I rely on briefings from my officials, and that was the source of my information.

MR. GURNETT: A supplementary question. Can the minister indicate if there is any group in society other than our native peoples that he would feel confident in questioning the honesty of in the same way? [interjections]

MR. SPEAKER: That is not a question period question. The minister is answerable to some extent for a certain

group in society. If the hon. member is concerned about other groups in society, maybe he could relate those concerns to a specific ministerial responsibility.

MR. GURNETT: A supplementary question, Mr. Speaker. If the minister is uncertain as to the extent of game kills in the traditional Lubicon hunting area, why has a formal, objective report that could be made available to members of this House not been made public?

MR. PAHL: Mr. Speaker, I don't believe I raised the concern. I believe he raised the concern. I tried to respond to it in an informal way. Certainly, if he is concerned or has information that suggests that it is outside of the ordinary, perhaps he might like to direct the question to my colleague, or perhaps my colleague the hon. Associate Minister of Public Lands and Wildlife may wish to supplement my response.

In meeting my responsibilities, Mr. Speaker. I try to receive generalized reports. The information is that it is not an abnormal situation there. If the hon. member has specific information that he thinks is a problem and I suppose if we could correlate that problem with an increased incidence of welfare or some of the other issues he has associated himself with — if there were anything factual to go on — I suppose it would be something I would take up with my colleague with respect to getting more specific information. But the facts do not appear to substantiate the very generalized allegations made by people that have been reported in the press, so to my knowledge we haven't taken any additional steps. Perhaps my colleague can supplement my answer.

MR. GURNETT: A supplementary question, Mr. Speaker. My question to the minister is whether or not formal, factual information is available from members of the ministry or your colleague's department that would indicate what departmental officials are saying the game kill is in contrast to the information regarding game availability that's reported by the actual members of the band.

MR. SPARROW: Mr. Speaker, I would like to add to my colleague's remarks. In the House the other day there were similar questions, and I asked my staff to give me some information with reference to moose population. During the last two to three decades, because of the lack of forest fires, the habitat in the area has been very dense, which provides for very poor moose habitat. We recently had a fire. We're looking at increased productivity in moose in that area, because it has opened up a little. Actually, the oil and gas activity in the area has really improved the access for hunting and also created more habitat. The tick infestation a few years ago cut back on the number of animals in the area and throughout northern Alberta. That has now declined, and the numbers are increasing.

From our records I think the natives can be congratulated: they are very good game managers. They know the number of animals in the area and, according to our officers, on the average they kill about an equal number of moose each year as are born. Along with our staff they try to maintain that level. I think they should be congratulated for their game management. They know as well as every one of us that it has to be looked after.

We do have some specific figures of moose per square mile from aerial counts that have been made, and that type of information is available from our staff.

MR. GURNETT: A supplementary question, Mr. Speaker. Obviously, I'm concerned that the Associate Minister of Public Lands and Wildlife indicated that they're good game managers, and on Monday we heard from the Minister of Native Affairs that they were inaccurately reporting their hunt.

My question to the Minister of Native Affairs relates to a quotation of him on a radio program. He said, "It's like somebody comes along and says, 'I'm a direct descendant of Christopher Columbus, and I claim all of North America; therefore, I want an injunction so that nobody will turn another scoop of dirt until my claim is satisfied.'" My question is whether that philosophy and that quotation are a statement of government policy with regard to outstanding land claims by native peoples, the original inhabitants of this province, or just with relation to this situation at Little Buffalo.

MR. PAHL: Mr. Speaker, that quote was taken from a 45-minute interview. If the hon. member could phrase a question around it that makes sense, I'd be pleased to answer it.

MR. GURNETT: Mr. Speaker, my supplementary is whether the philosophy implied in that statement indicates the minister's approach with regard to all land claims by native peoples, aboriginal peoples in this province, or only in relation to approaching the situation with the Lubicon Band at Little Buffalo?

MR. PAHL: Mr. Speaker, as much as I can read into the question, I would say that statement reflects neither my philosophy in the specific nor my philosophy in the general with respect to land claims. My philosophy and my commitment, and this government's commitment as exemplified by our actions, is to take all possible haste to satisfy all land claims. When we get some co-operation as has been evidenced in most of our other situations, we are able to progress.

With specific reference to the Lubicon Lake issue, right now we are co-operating in every regard with the federal appointed mediator, the hon. Mr. E. Davie Fulton. I'm committed to continue that mode of co-operation as long as and as much as it takes. That's my philosophy, and that's the commitment of this government.

Sugar Beet Industry

MR. HYLAND: Mr. Speaker, my question to the Minister of Agriculture. I wonder whether he has any additional information he could share with this Assembly about the future of the sugar beet industry in Alberta, Manitoba, and Quebec.

MR. FJORDBOTTEN: Mr. Speaker, I understand there was an announcement this morning. Even though I haven't seen it personally, I understand it is that there is an \$8 million assistance package for Canada from the federal government toward the sugar beet industry.

MR. HYLAND: Mr. Speaker, does the minister have any information on the breakdown other than the total gross dollars of the announcement?

MR. FJORDBOTTEN: Mr. Speaker, it is my understanding that \$8 million is for all of Canada. Recognizing that this

government's commitment for Alberta was \$6 million, I think it would be somewhat less per tonne than our commitment, which disappoints me to some degree. The one positive side is that I understand they are prepared to work toward a sugar policy with the provinces of Quebec, Alberta, and Manitoba over the next 12 months. We would be very active with regard to seeing if there could be a sugar policy in place prior to the completion of this year's crop, so the sugar beet producers would know before the crop comes off what the policy for sugar beets actually is.

Lubicon Band Game Kills (continued)

MR. PAHL: Mr. Speaker, I wonder if I might supplement an answer, or perhaps elaborate on the question, because I think it put a very unfortunate slant on my remarks with respect to the honesty of a group of people in the Little Buffalo area. I think it would be unfortunate if that remained uncorrected.

The hon. Member for Spirit River-Fairview asked the source of my information with respect to the reluctance of certain individuals to report hunting success. The inference was that it was something dishonest with respect to the laws of Alberta. In effect, it was an unsolicited call to my office from a member of the community who indicated that certain members in the community were reluctant to report success in game kills to anyone because it was not in the interests of the group who were managing the publicity to have any hunting success reported. So it was nothing with respect to an illegal action with respect to any laws. It was pressure within the community. It was reported to me. I will not further the problem. It was not slander against anyone or a suggestion of breaking any laws. It was suggested as informal pressure within the community, which again is an unfortunate situation that suggests that we obviously need to make our best efforts to resolve this situation.

MR. SPEAKER: The hon. Minister of Social Services and Community Health has some information in reply to a question taken as notice.

Social Assistance **in Little Buffalo Area**

DR. WEBBER: Thank you, Mr. Speaker. On Monday the Member for Spirit River-Fairview asked me to confirm whether 90 percent of Lubicon Band members are receiving social assistance. A check with federal Indian Affairs, which the hon. member could have done himself, indicates that the figure is more like one-third receiving assistance in the area. As to the communities surrounding the Lubicon Band, the provincial social assistance caseload is not out of the ordinary when compared to other isolated communities in this province and certainly nothing like the 90 percent the member alleged. If the member would like more specific detail, I suggest that he could perhaps put his request on the Order Paper.

MR. SPEAKER: We are running out of time, but the hon. Minister of the Environment wishes to add briefly to some information that was sought.

Hazardous Waste Disposal

MR. BRADLEY: Mr. Speaker, I'd like to supplement a question I was asked yesterday with regard to manifests relating to a shipment of materials from Quebec to Alberta. These manifests are first filed with the federal Department of the Environment. On April 9 the federal department was advised as to the nature of the vehicles which would be moving four shipments from that province. This information was received in the Department of the Environment on April 11. On April 11 the federal department was advised as to the contents of these shipments, and that information was received in the Department of the Environment on April 11.

ORDERS OF THE DAY

MR. HORSMAN: Mr. Speaker, I move that Motion for a Return 137 stand and retain its place on the Order Paper.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

206. Moved by Mr. Nelson;

Be it resolved that the Assembly urge the government to develop a policy whereby the retail sale of beer, wine, and spirits in the province would be gradually turned to the private sector.

MR. NELSON: Mr. Speaker, I'm not planning to be on my feet a great deal of time today. I just hope that I don't have to leave urgently as I speak.

The issue before us today, which I take pleasure in reintroducing to the Assembly, has certainly been discussed previously on many occasions. Of course, last fall it was given some comments.

Mr. Speaker, I should express here the word "gradual". The reason I emphasize that term is to suggest that the ideal behind the motion to privatize the sale of alcoholic beverages in the province is not one where it is suggested we'd go in with a knife and all of a sudden change horses in midstream but to gradually create a policy and position that would give the private sector the opportunity to compete in a competitive world with a competitive product.

The other consideration that I'm sure is of primary concern to every one of us, at least in the area of nonalcoholic consideration, is the people who work in the many outlets the Alberta Liquor Control Board presently has. Our employees, who have worked diligently, honestly, and with pride for many years, must be given due consideration any time we change horses. With that in mind, of course, it is suggested that if at some time in the future this motion were to take a positive turn in the Assembly with the development of a Bill that would make that suggested change, we would have to make sure our employees were well looked after, now and at any future time.

Some of the other salient points I would like to indicate here today, Mr. Speaker, have been identified previously. Firstly, assuming that the government at some time in the future takes a positive step in this area, it's suggested that the wholesale distribution of alcoholic beverages be handled

and continued in the same manner as at present. This would facilitate the collection of taxes, the payment of excise taxes and various other fees without overburdening the private sector with additional costs and would also let the government continue to control the products that, to some degree at least, are being sold in the outlets we place them in.

The only other area that I think the Liquor Control Board should be involved in is regulating, as they are now. In other words, let's have a regulatory board but let the private sector do the work.

When I talk about regulatory boards and regulations, if we didn't have a referee in some of our hockey games — for example, if the Flames and the Jets didn't have a referee, the Flames would still be in the playoffs. That just shows you where the referees favour themselves; they favour from strength. There's no doubt that the Alberta Liquor Control Board has a position of strength, and their control is certainly unbearable to many. I guess we could get into the manner in which some of them control our activities within the province and this country. Basically, we still have prohibition in the outflow of liquor. Many years ago when we had real prohibition, our alcoholic problems were certainly greater than they are today.

It is suggested that we permit three different styles of licences to proposed licensees. This could be in the form of a beer, wine, or spirit licence or any combination of two or three of those. Of course, this would be determined by the retailer and the regulations and the type of facilities that might be proposed by a proponent.

Mr. Speaker, I look at the various parts of the world that sell alcoholic beverages in the private sector, and governments in Canada take a very dim view of this. Certainly, there are people in the province and the country who would not support this type of attack by changing the sale of alcoholic beverages to the private sector from government control. However, during many of my travels, and especially those in Australia, where I lived for a number of years, it was interesting to note that the government didn't sell liquor in any manner, shape, or form. In looking back on those years, I don't recall a lot of drunks or a lot of people with social difficulties — no more than what would be a normal thing, if you call it a normal thing.

The hotels sell the products. They have a special department that sells not only beer, as we allow them to do here in Alberta, but hard liquor, spirits, or wines. Grocery stores sell the other products as well. When a grocery store sells them down there, it has to have a special permit and create a separate entity within the same building. This isn't the proposal that is here today. In the near future I think the hon. Member for Calgary Buffalo will ably present his legislation, which will explain his proposal very nicely.

It's also suggested, Mr. Speaker, that any store that might be licensed to retail alcoholic beverages would be licensed to sell those products only and not compete with the private sector in other types of commodity selling, such as groceries, junk foods — candy, chips, et cetera — or any other commodity that might be available in the marketplace. Basically, the reasons here are unfair competition and keeping the same level and standards we have become used to as far as shopping in an Alberta liquor store, although I've often said that it's not one of the greatest experiences in the world: they are kind of drab-looking things. I might add that there are now two liquor stores within the province that have really outshone themselves with nice, new, large wine bars. One is here in Edmonton and one is in the constituency of Calgary McCall, which

has just concluded its opening of this new bar. I certainly recommend to any members who haven't seen these two stores that they are appealing outlets. If you have a spare \$4,000 in your pocket, there are a couple of bottles of brandy there that you might just pick up.

AN HON. MEMBER: Did you get one?

MR. NELSON: I've ordered a dozen.

Mr. Speaker, one of the difficulties we are now having is that the Liquor Control Board decided to reduce hours of operation which the consumer had become used to, and many of our small-business men had also become used to receiving some traffic from the trade of these stores. It's interesting to note that since liquor stores that had been in a mall for a number of years and had extended hours, and what have you, have dropped their hours of trading to a five-day week and an eight-hour day, the traffic in these malls has also deteriorated and many of these small businesses are hurting. I guess that's where I start to really wind up. As I've said many times, small business and small businesses are the heart and soul of our country. They create jobs. If there's a job to be created, it will certainly be the small-business person in the private sector long before government or the biggies.

It's interesting to note how a government monopolizing a particular sector, an unfeeling Liquor Control Board, can go out and shut down an operation for a day or a number of hours without giving due consideration to those small-business people who have to pay the rent, who have to continue their operation. Of course, when a major tenant, who is normally a traffic generator, removes much of the traffic in the mall, it has a devastating effect on that small business. I have one of those shopping malls in Calgary McCall; it's a sector mall. Of course, the impact on this particular mall has been very negative. Those people were hungry before; now they're starving. As I perceive it, the board has no sensitivity to these situations, nor does it concern itself with the jobs of these people, let alone the possible removal of jobs by reducing hours in its own operation.

I guess the other thing that disturbs me is the lack of concern for the consumers' needs or requests. I don't know that we should use the term "needs" when we're talking about buying liquor, because I don't know that anybody really needs it. But it's certainly one of those commodities that in reasonable consumption is acceptable.

Mr. Speaker, the one area that has really twigged me and bothered me a lot is the private sector going out and developing a facility to sell a product. Under our present rules, the manufacturer of a beer or wine can open a store. I beg your pardon; they can't open a store. They can invest in a store, put up the capital dollars, and get the thing ready to open, but as soon as they do that, they lose their key, because the Liquor Control Board goes in and takes over. And, boy, do they take over. That guy who has invested all that money can't even have a six-day week, possibly. He's run by the board, the bureaucrats, whatever you want to call them, at ALCB. If they want him to open five days, it's open five days. If they want to reduce the hours to 8 hours a day, 6 hours a day, 12 hours a day, that poor guy who has put up all that money hasn't got a hope in hell. So I suggest that is one area we can start with very quickly, because it already has been invested in by the private sector. It is tailor-made for them to go into and run an operation and run it successfully.

Maybe that would be a starting place for us to get away from some of the social attitudes that are prevalent in this particular area. It's interesting when I talk about the area of selling beer in stores that are owned by a brewery, where the province goes in and takes over the action. It reminds me of some of these provinces that lean a little bit to the left or those countries that have socialist attitudes and governments, where they go in and take over the private sector's operation after they've invested. Quite frankly, I don't think it's fair. I feel very strongly about that.

If any changes are addressed, of course our cities and municipalities will have to be party to these changes because they may affect the bylaws and planning Acts within the communities. Certainly, they would have to have some examination. I'm sure they would be only too happy to participate in conjunction with any changes that are suggested.

Mr. Speaker, in recent weeks there has been a comparison addressed and offered by some. Why can't you sell liquor in the private sector? You sell drugs in the private sector. Some of the drugs we have are certainly a heck of a lot more dangerous than the drinking of a bottle of beer or a little bit of alcohol. I guess there are two trains of thought. When you're selling drugs, especially by prescription, you have a doctor offer the prescription and a trained pharmacist dispense that prescription. That may be a fair argument, but we can still have young people, professional people — we don't have to call them clerks or anything like that. We have what you could determine are professional people in our liquor stores today, and there's no reason why the private sector cannot also offer professional, qualified assistance in liquor stores, whether they're private or operated by the government. [interjection] The only difference is that selling liquor is not necessarily prescriptive. In fact, it may even be destructive to many of those people who overindulge, similar to people who may take an overdose of drugs once they've been dispensed to them. There is really not that much difference.

Many people are somewhat sensitive to the suggestion of privatization of the sale of alcoholic beverages. We have to expect that to be the case. Should we make a move in this direction, I'm sure it would have to be gradual and slow and caring. We would have to be caring people in making any move to privatization, caring not only for the people working in our stores but for the community at large.

It's interesting that during the last couple of years our throne speeches have addressed the area of privatization very well. In examining the area of privatizing the sale of alcoholic beverages, I guess we should examine the area of Altel Data and some of these other organizations that are part of the government operation that compete in the private sector. I can certainly make some comments about some of these other operations as well. I feel very strongly that we should make a move and unload those and stay in the business we should be in, if we should be in any business at all.

Another concern that is addressed from time to time is the continued high level of revenue for the government's General Revenue Fund. I guess that should be a concern, because if we don't have those revenues in our little bag of tricks, where do we get the money to operate our government? Quite frankly, it's my view that we may be able to have the best of both worlds. There are differing views on this, but again I'm of the view that we can have our cake and eat it too, without having the operating headache of the stores themselves.

Mr. Speaker, I've gone through a number of pieces of information. I would like to recognize a submission by the Alberta Union of Provincial Employees that was sent to us. I imagine all members received a copy. It's very well done, and I have to commend the people that did it. Like any report, certain areas could be questioned as to their accuracy and completeness, but in general terms I have to suggest that the report is very well done. But, again, like all reports, there are contradictory views and there is another report that contradicts the one you've got. I guess which report you actually read and support to bring your views forward depends on where you want to view the position you're taking. It's interesting to note — in fact, it's a position I view with some credibility and a report that I determine is fairly positive — that it states that income and urbanization are more closely related to consumption and alcoholism rates than to availability. That's a very, very important statement which suggests that the higher income in the urban setting may have more of a detrimental effect on alcoholism and consumption than the availability of same.

[Mr. Purdy in the Chair]

I ask the question: do we continue to treat our adult population as unintelligent children? Do some of them wish that we continue treating their neighbours as such? Why can't we give them a choice as to where, when, and how they may buy their beverage? After all, we'll probably create jobs for our citizens that will give them dignity. It's my belief — and I've said this many times — that our citizens in general are intelligent people. Access to alcoholic beverages does not necessarily mean more consumption or more alcoholism. In fact, prohibition probably gives rise to more alcoholism than freeing the purchase of it. I'm not suggesting or talking about freeing up the purchase so that anybody can buy it, such as minors. I'm talking about opening the doors a little longer if necessary and working with consumers so their requests can be met. We have certain freedoms in this world, Mr. Speaker. We have the freedom to choose and the freedom to compete. Hopefully during that time we can be trusted and can trust that our citizens have enough intelligence to relate to the offerings we give them.

It's amazing how we've talked about monopoly. Of course, a few years ago Safeway had a monopoly, and the government said, "Look, we're going to put a three year moratorium on your growth." I guess this was reasonable in some respects. But what happened? Safeway still has control, and the reason is that it's the consumer's choice. The consumer determines who's going to grow and who's not going to grow, not the government; at least the government shouldn't decide that.

Who's protecting the small-business man out there? He's out competing. He doesn't come crying all the time. We've got Sunday openings of all the major stores, and sure it's hurting the small-business man very badly. Where is everything happening? Where is everybody going with that? Maybe if we can't do something there, we can put beer and wine in the stores, or at least wine to start with. But that's a debate for another time, Mr. Speaker, which I'm sure my hon. friend from Calgary Buffalo will be only too happy to discuss.

Mr. Speaker, we now have beer available at sporting events. You know, there are probably less drunks at those sporting events today than there were when everybody took

in their little bottle or cask or mickey or whatever. Amazing! [interjection] Yes, it was illegal.

Mr. Speaker, just to sum up on a few salient points I've had the opportunity to present today, I think this government is sincere in its efforts to look at privatization. This is one area that can be privatized successfully under certain conditions. The pursuit of that privatization by all members is certainly requested, not only in this area but in other areas of endeavour the government is proponent to competing in the private market. The Calgary Olympics are coming up in 1988. Not that that's a good reason to open the doors and flood the market with booze, but certainly let's open our hearts and our doors to the world and show them that we are a progressive province even though we're conservative at the same time.

Thank you, Mr. Speaker.

MR. MUSGROVE: Mr. Speaker, I would like to make a few comments about the motion on privatization. I certainly commend the Member for Calgary McCall for bringing this to our attention.

Mr. Speaker, I believe that the privatization of liquor stores certainly has a lot of merit, providing they sell only alcoholic beverages and there is some control by the ALCB. We could allow, by a municipal bylaw, some flexibility in the hours or days open, but it would have to be done under an umbrella controlled by the Alberta Liquor Control Board. For instance, we wouldn't want liquor stores to be open 24 hours a day, but if in a given town the municipal council feels it would be best to stay open on Saturday nights and close on Wednesday mornings, or something to that effect, I think it should be within the powers of the municipality to write it in their bylaw.

We're suggesting the ALCB would issue three types of licences to vendors, and certainly there's a need for that. Along with our liquor stores we now have wine specialists, particularly in the major cities, who want to set up shops. With some of the connoisseurs we have today, I think it's important that we have wine shops so that those people can go in and find the type of wine to their taste. Also, we have cottage breweries where they manufacture unpasteurized beer and sell it on the same premises. I think those things should be allowed, and in today's age they would probably be important to many places.

Mr. Speaker, we have mentioned the possibility of selling wine and beer in grocery stores, and it was even suggested that grocery stores could handle the sale of all alcoholic beverages. I have some concerns about that. I hear both sides of that from my constituents and at this time would certainly not recommend it. It's not because I'm saying the availability of alcohol would cause any more misuse than there is today. As a matter of fact, I think it would be the contrary. Generally, the more available alcohol is the less you get people misusing it. For instance, my father told me about prohibition in the 1920s, and he said that was the worst abuse of alcohol he had ever known. Those people who could afford it bought black market bonded alcohol and created criminals to get it to them, and the price was something out of this world. Those people who couldn't afford bonded whiskey that was imported from other areas made their own. He said that half of it was poison and not fit to drink, but they made it and drank it anyway. He said there were as many social problems caused by the use of alcohol during the prohibition years as there are today. They had no control over it. Now there is at least some

revenue for the province to cover the social problems caused by the misuse of alcohol.

One of the things I'm hearing from some of my constituents is that if we allow the sale of wine and beer in small stores, particularly convenience stores, there is the problem of security. Most of those stores are open for long periods of the day, and even though they wouldn't be able to sell it that long, they are generally understaffed and security would be a problem. Generally, when you hear of a break-in, you find they take place at these convenience stores, and they're generally after cigarettes or something of that order. What they're saying is that if there were wine and beer there, it would increase the cause.

Also, we have some small hotels that are now surviving on the off-sale of beer. These people are saying that by selling it in grocery stores, we would be causing some problems with their living.

Another problem I hear from my constituents about selling wine and beer in grocery stores is that you hear a lot of comments about the high price of groceries today. If you go through the average grocery cart, you'll find at least one-third of what's in that grocery cart is not food. It can be magazines, cigarettes, drink mixes, or whatever. Generally when you look through the grocery cart and talk about the high cost of food, it's the high cost of other things that creates the problem. If you added a case of beer and a bottle or two of wine to that grocery cart, the cost of food would increase because it would become groceries.

I'm all for privatizing liquor stores, Mr. Speaker, providing they have a semblance of the control that is now on the ALCB stores and providing we don't cause problems to people who are making a living other than by operating liquor stores; for instance, some of our small hotels. In that way I would like to suggest that we support this motion.

MR. ZIP: Mr. Speaker, I'm pleased to rise to speak on Motion 206. First of all, I wish to congratulate the hon. Member for Calgary McCall for presenting us with this excellent motion and for reintroducing it for the consideration of this House once again. I wish to lend the hon. member my support for this motion. I've always felt the distribution of alcoholic beverages is not a proper area for government involvement, just as the sale of all other beverages and food is not a proper area for government involvement. Just as government has no business in the bedrooms of the nation, it has no business being involved with the food and beverage dispensers of the nation.

Having said that, I'm also keenly aware that there is still a very real national problem with the abuse of alcohol, which has been discussed many times in this House and elsewhere as it relates to drunk and impaired driving, family and other violence, and the extra costs alcohol abuse imposes on the taxpayer-supported health system. However, studies conducted into the question of the abuse of alcohol indicate very clearly that only a small percentage of the population — around 5 percent according to numerous studies done on the subject — are abusers and that the vast majority of the people are needlessly being regulated and harassed by the attempts of well-meaning but mistaken people to control a problem that applies to such a small percentage of the population.

The hon. members for Calgary McCall and Bow Valley have spoken very well on the details of how privatization should be effected. I will not go into that. I only wish to say that privatization should be effected in such a way that

it causes the least possible disruption to existing employees of government liquor stores and to those in the private sector who are currently in the business of selling liquor by the glass. This would mean a gradual phasing in of privatization of government liquor stores, giving citizens of Alberta the significant benefits to be derived from the efficiencies that will no doubt arise from private distribution of alcoholic beverages, especially in urban and rural areas of the province where the volume of business requires cost-cutting remedies that government operations are not prepared to make, because profitability, as we all know, is not as necessary a guideline for government as it is for the private operator.

In closing, I wish to point out that the advocacy of the private distribution of alcoholic beverages and less control on alcoholic beverage consumption has nothing to do with the moral question surrounding the consumption of alcohol. I wish to point out that any problems surrounding the question of alcohol are part of much larger problems, mostly of a personal nature, that people are beset with.

My experience with alcohol over the last 50 years has shown me that the abuse or nonabuse of alcohol has nothing to do with whether or not the government or private individuals distribute liquor. So why should we in this culturally mature province not turn to a system of alcoholic beverage distribution that not only is more efficient but will also open additional opportunities for taxpaying individuals?

Turning to the moral question behind the consumption of alcohol, I have a long-standing interest in it which goes back to my boyhood years. Incidentally, that was a time when controls on alcohol were much stricter and when serious abuse of alcohol was much more prevalent. I remember very well social events in those years when people drank themselves silly and made real fools of themselves. Lucky for everyone at that time, there were few cars and hence few accidents. Controls on the sale and consumption of alcohol have been greatly relaxed over the last 50 years. I witness a lot less abuse of alcohol today than I did 30 to 50 years ago. People are getting more responsible with alcohol. The excellent programs on minimizing alcohol abuse, such as AADAC, are working and are doing an excellent job of educating the public. Law enforcement with respect to impaired driving is strict and is working as well. The people themselves are getting the message of the need for moderation with respect to alcohol. In fairness, then, let us give them a break by giving them the benefits that privatization of alcohol distribution brings and bringing them into the main stream of the civilized world.

Mr. Speaker, I urge everyone in this Assembly to support this excellent motion. Thank you very much.

MR. LEE: Mr. Speaker, colleagues, and particularly the Member for Highwood, this is a timely and enabling resolution. I commend the hon. Member for Calgary McCall for its initiation. It provides us an opportunity to give some direction to the government at a philosophical level. Charles Kettering once said: "It's easy to build a philosophy [if] it doesn't have to run." I'd like to take a run not just at the philosophy but at the practical aspect of this resolution. We'll perhaps have an opportunity to get into more of the practical application when Bill 250, the Food Store Wine Sales Act, comes up for debate in this Legislature a little later.

Mr. Speaker, there are four items I would like to address in my remarks today. Number one, the concerns of some private groups; secondly, what I believe are problems in

the present distribution system; thirdly, the issue of privatization; and fourthly, the issue of the present monopoly system under the Alberta Liquor Control Board.

I know some groups will have difficulty with this motion because there's a concern that if we move towards privatization it will contribute to more alcohol abuse. It's a valid concern. Mr. Speaker, 2,500 people were killed in alcohol related accidents last year. There are an estimated 50,000 alcoholics in Alberta. The average Albertan spends \$360 a year. In my own childhood I remember that alcohol was the cause of the breakup of the marriage between my mother and father and the bad, ugly scenes it caused. So we should be very concerned about them. But those are the reasons I believe the time has come for us to privatize. The current system is not adequately serving the social system we enjoy. It is not working to anybody's satisfaction. I know that in last year's debate the hon. Member for Vegreville said: if it ain't broken, don't fix it. Well, Mr. Speaker, it is broken. We recently saw an article in the *Journal* that alcoholism is up; related traffic deaths for alcoholism are up. There is a problem and the present system is not working.

I haven't seen a study yet that shows there is any relationship whatsoever between abuse of alcohol and availability. There is a relation between consumption but not abuse. It didn't work during prohibition and it doesn't work today. In fact, I found an interesting little song they used to sing during prohibition:

Four and twenty Yankees, feeling very
dry
Went across the border to get a drink
of rye
When the rye was opened, the Yanks
began to sing
"God bless America ... but God
save the King!"

Mr. Speaker, we have a second problem, and that is the current distribution through the ALCB. Because of the limited availability, when an individual finally finds a liquor store that's open, they stock up. It's called the stocking-up syndrome. I'm embarrassed to go to my own liquor store. I get there about four times a year, so you can imagine what happens. I have to go to different liquor stores ... [interjections]

I hear that when we get into this debate we hear from those concerned about policing. Last year I had the opportunity to meet with the city of Calgary police, and there is very strong support amongst the rank and file to privatize the sale of beer and wine, particularly wine. Why? Because it doesn't make sense to have a limited number of outlets where there's such a huge congestion at any limited time. Anybody who spends any amount of time there will tell you of the policing problems that are encountered. They believe there is better use for a police officer's time, and so do I.

Mr. Speaker, when you have that limited availability, there's the problem of drinking and driving. You have to drive to get to the liquor store. Bob Edwards said in the *Calgary Eye Opener*, 1906: "When one is driven to drink, he usually has to walk back." What are we doing with our legislation? Literally forcing people, after they've consumed alcohol, to drive some distance to get some reinforcements.

MRS. CRIPPS: If you put the saddle on the right way ...

MR. LEE: My colleague is trying to talk some horse sense here.

Mr. Speaker, the year is 1985. This Legislature just heard the Treasurer announce a tripling in our tourism budget. We spend millions to bring people to Alberta from all over the world. And then what happens? They travel 300 miles across the border and finally find a liquor store. It's Monday and it's closed. So they have to drive another 50 miles to the next community, and they get there and find it just closed 10 minutes earlier. Finally they say, "To heck with the bottle of wine; I'll settle for some beer." They go to the local hotel and find that they have to pay an arm and a leg for a case of beer. And we wonder why they don't come back.

Mr. Speaker, tourism is the key issue. I have in my file a letter from the Banff Chamber of Commerce:

Almost every day we hear comments from visitors to Banff on the ridiculousness of Alberta's antiquated liquor laws. No doubt this tarnishes the reputation of Banff as a progressive resort and prevents the Town from competing on an equal basis with American resort areas such as Lake Tahoe, Aspen, Vail, etc.

I can hardly wait until the Olympics get here. The president of the IOC comes into Banff and says, "I'd like to get a bottle of wine for dinner." The guy says: "I'm sorry; the liquor store is closed. You'll have to drive to Calgary." Good public relations.

Mr. Speaker, let's look at the issue of privatization. In keeping with the free-enterprise aspects of this government, I'm very proud that we've announced a policy of privatization and deregulation. There are a number of excellent examples. We sold PWA. Contracting out many services in the correctional area: number one, community residential services are now contracted out; we've contracted out two out of 10 of the province's minimum security forestry camps; pharmaceutical services in Alberta correctional centres have been contracted out. Alberta Transportation has just about totally phased out any contracting it does on roads. Recreation and Parks is contracting out firewood procurement. The name check service of the Corporate Registry has been contracted out. Examination of prospective real estate salesmen has been turned over to the Alberta Real Estate Association. Maintenance work in government buildings has been turned over. There are hundreds, if not thousands, of examples of good initiatives we've taken to privatize. The list goes on and on. Privatize those areas that don't make any money; let the private sector have those areas that don't make a profit. But what do we do? We keep the one area that turns a profit. Isn't that good of us? Last year the Alberta Liquor Control Board made \$289 million.

MRS. CRIPPS: Hospitals spent \$2 billion.

MR. LEE: More good advice from my colleague over here, Mr. Speaker.

The problem is that we have a monopoly in the truest sense. I haven't been able to figure out why government thinks we need to sell consumer goods, because that's what alcohol is. Cigarettes are consumer goods, automobiles are consumer goods, and my colleague mentioned that drugs are consumer goods. But you don't see the government with an Alberta automobile sales board.

The difficulty I have with this profit is justifying to my constituents how a family-run corner store — an immigrant couple living in Canada for 12 years, working 85 or 90 hours a week — can barely make a go of it, yet the

Westbrook Shopping Centre liquor store in Calgary Buffalo made \$4,859,000 last year. Yet we have private enterprise; we talk about being for the little guy. We have private enterprise of half a dozen small stores in the neighbourhood barely getting by. I'd like to make my point here. I'd like to table with the Legislature an illustration of the contradiction. I have here an equivalent of \$4,890,000 worth of Monopoly money. I want to table it with the House to show the absurd contradiction. But don't go away; at the same time, let's show the profit the private sector made last year — two cents. That is a contradiction, and I haven't been able to explain it to my constituents. Mr. Speaker, when I speak of "Monopoly money", I think it's an appropriate adjective.

DR. BUCK: You're not serious, are you?

MR. LEE: The golf course is closed.

DR. BUCK: So is the bar.

MR. LEE: The time has come to look at alternatives to monopoly. But not just to look at alternatives, or consider alternatives or consider philosophies. I think the time has come to take some action. The bottom line is simply this: do we or do we not trust our citizens to do what's best for themselves? I ask my colleagues to answer that fundamental question.

In speaking to this issue today, Mr. Speaker, I've briefly reviewed four areas. The very honest, legitimate concern of private groups who are impacted by alcohol abuse: I support them and I share their concern. Some problems with the present distribution: the limited availability does not serve the public interest. The third issue is privatization. Essentially we have a contradictory policy today, and I believe it's an embarrassing one. Fourthly, the issue of monopoly. The time has come to end monopoly. We don't permit it in any other area where there is competition. Why do we permit it here?

I believe there is a strong case to be made for change. Oftentimes in this House it's been said that we might approve of something in principle. I believe it is time to say and recognize that there is good support for this in principle. A Gallup Poll taken at the end of last year indicated that on the whole the vast majority of Albertans supported the change. In Calgary alone 69 percent of those surveyed said, "We support this change." In Edmonton it was close to 60 percent. We can acknowledge and recognize that perhaps there are communities that aren't as enthusiastic about this as, say, the Banff community. But any legislation that we introduce can acknowledge the need for local autonomy.

In closing, I'd like to leave with this remark. The German ruler Bismarck once said:

When a man says he approves of something in principle,
it means he hasn't the slightest intention of putting it
into practice.

I support this motion in both principle and practice, and I encourage all members of the Assembly to consider it seriously. There are many other arguments to consider, but with regret, Mr. Speaker, the time has ended. I notice the lateness of the hour and, wishing to continue, I beg leave to adjourn debate.

MR. ACTING DEPUTY SPEAKER: Is it agreed that the hon. member adjourn debate?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: It is so ordered.

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

Bill 203

Farming Nuisance Claim Protection Act

MRS. CRIPPS: Mr. Speaker, Bill 203 is the Farming Nuisance Claim Protection Act. I'd like to read it into the record so that if the debate is reviewed later, it can be reflected back toward the Bill. It's very short. In this Act we're talking about agricultural land. That means land that

(i) is zoned for agriculture pursuant to the *Planning Act* and is actually being used for agriculture, or

(ii) is assessed for municipal taxation on the basis of being used for agriculture;

(b) "farming operation" means an activity conducted on agricultural land in connection with the commercial production of agricultural produce;

(c) "Minister" means the Minister of Agriculture.

2 A Farming operation on agricultural land, that

(a) is not negligent;

(b) conforms to generally accepted practice for similar farming operations;

(c) does not endanger human health or safety; and

(d) does not contribute to flooding or water pollution;

shall be deemed

(e) not to be a public or private nuisance if it is carried out in accordance with the guidelines issued by the Minister pursuant to section 3;

(f) not to be a private nuisance in respect of a neighbouring parcel of land that has had a change of use or zoning if the same farming operation was conducted prior to the change of the use or zoning, in a similar manner and at similar times, and would not ... have been a private nuisance with respect to the neighbouring parcel of land.

3 The Minister may by order establish guidelines for the conduct of farming operations so as to protect the continuance of established farming operations as far as is reasonable and to minimize conflict between farming operations and uses of land other than farming.

Mr. Speaker, Bill 203 attempts to protect Alberta farmers from lawsuits brought against them by new, nonfarming residents who claim that the nearby agricultural activities create a nuisance. In so doing, Bill 203 asserts the primacy of agriculture and guarantees the farmer the right to farm. The protection afforded by this Bill applies only to bona fide, responsible farmers. It does not give farmers licence to act negligently and without proper regard for the rights of others.

Mr. Speaker, agriculture is important to the total economic welfare of this province. Farming and its spin-offs generate employment for one in three Albertans and create \$8 billion worth of activity yearly. The very best soil happens to be in the proximity of the major urban centres of the province. Sixty percent of the prime number 1 farmland in the province

is located in the Edmonton-Calgary corridor. The high concentration of this population has led to subdivisions and acreages being developed in the prime agricultural area.

The intrusion of an urban life-style into rural areas has resulted in conflicts between farmers and their nonfarming neighbours over the by-products of farming: dust, noise, and odours. In a few cases these conflicts have involved local authorities, such as public health boards or even courts. In one well-publicized case the health unit charged a farmer for failing to remove some cattle from an area adjacent to — they called it a feedlot. The Alberta Farmers' Advocate, Helmut Entrup, said the health inspector didn't know the difference between a feedlot and a farmstead. By the way, the county council had previously unanimously approved the farmer's use of the site. In fact, if my memory of the incident is correct, it had been used for the same purpose for a number of years.

In Alberta today a farmer may have to defend himself against litigation for causing a private nuisance if his activities interfere with another person's use and enjoyment of his land or a public nuisance if his actions endanger the health and safety of a number of people. In either case the court may order the farmer to stop the activity or change his actions to reduce its impact.

[An hon. member walked between the Chair and Mrs. Cripps]

MR. ACTING DEPUTY SPEAKER: Order please. The hon. member knows very well that you do not walk between the Chair and the person speaking.

SOME HON. MEMBERS: Shame.

MRS. CRIPPS: This could hamper the farmer's flexibility in making future management decisions, which could threaten the viability of an agricultural industry.

The legislation involved in this issue includes the Clean Air Act and Clean Water Act, both under Alberta Environment, and Alberta regulations 297-72 under the Public Health Act, which govern the distances between residential buildings and livestock operations such as feedlots at pig-geries. These laws and regulations governing the public nuisance would continue to have pre-eminence even if Bill 203 were passed.

On November 20, Mr. Speaker, the county of Wetaskiwin introduced a primacy of agriculture resolution at the annual meeting of the MDs and counties, and this resolution was passed. I'd like to read it into the record.

WHEREAS agriculture is vital to the prosperity of Alberta; and

WHEREAS more and more non-farm people are moving into agricultural areas; and

WHEREAS some of these newcomers object to traditional and necessary farming practices, such as manure spreading ...

Mind you, I heard a lot of that just recently.

... and crop spraying and attempt to curtail them through legal action; and

WHEREAS the courts and regulatory agencies have on several occasions imposed restrictions on farm operations which make it difficult or even impossible for a farmer to continue;

THEREFORE BE IT RESOLVED that this convention request the Minister of Agriculture and the Minister of Social Services and Community Health to introduce

legislation which will guarantee the primacy of agriculture in rural areas, and which will restrict the ability of non-farm residents to take legal action to restrain or to restrict agricultural operations.

Mr. Speaker, that received the required three-fifths majority at the November 20, 1984, annual meeting.

More jurisdictions are finding it necessary to introduce this type of legislation. As fewer people have agricultural backgrounds, there is less and less understanding of the functional and fundamental problems and practices which are part and parcel of an agricultural operation. More than 30 U.S. states have some form of right-to-farm laws on their books. They vary in approach and complexity, but most establish that as long as a farmer conducts his farm chores in a manner that is not a threat to public health and safety and is in accordance with generally accepted farming practices, he cannot be found liable for nuisance. Many of the U.S. right-to-farm laws, along with Bill 203, affirm the "first in time, first in right" principle. Since the farmer was there first and has been carrying out his farming activities all along, his rights to continue with those practices should take precedence over the rights of the newcomer. In the absence of right-to-farm legislation, the U.S. courts have rarely upheld the first in time, first in right principle as a defence against nuisance claims.

Manitoba is the only Canadian province to have legislation like this. Called the Nuisance Act, it was passed in June 1976 with the intent of protecting not only the farmer but other businesses as well.

In the extreme, we have environmentalists suggesting that rivers and streams ought to be fenced because once in a while the cows drop something in them and pollute the rivers and other waters. It's never indicated that wild animals also use these same streams and rivers and may have the same problem the cows have.

In Ontario Women for the Survival of Agriculture have a newsletter, and I want to read a paragraph from it:

The encroachment of urban lifestyle, (please no smelly farming practices in our suburban paradise) is threatening agriculture in Ontario. A new approach with which to deal with these conflicts is in order ensuring that agriculture is allowed to survive, in rural Ontario the farming population makes up only 22% of all country dwellers, evidently some of the non-farmers object to odours, noise and dust resulting from farming operations. Farmers must be assured of their right to carry on with the practice of farming free from harassment from people who do not want farming conducted near their residences.

I note that in a speech made to MDs and counties last fall, the Minister of Agriculture indicated that he felt that if people chose to live in the country, they had to take the good with the bad and had to accept that agriculture was the primary occupation in those rural areas.

Mr. Speaker, I haven't gone into the explicit examples, and I know there are many in the province. I might just briefly mention a few. There are the deer problems in Sherwood Park, where the Criminal Code was used to charge a farmer for trying to protect his crop from deer damage. A farmer in Stettler found himself in court because he used some of his land as a feeding area. He was sued by the people he had sold an acreage to. A High River feedlot dispute over several years — because a small acreage owner and sculptor and a group opposed the livestock men's plan to increase the feedlot operation. In a Benalto case the farmer was sued and thrown into court by a health

inspector who didn't know the difference between a feedlot and a farmstead. In the case in Stony Plain, small acreage owners are complaining that they are discriminated against because the farmers receive better treatment under the water well recovery program than they do under their wild rivers and streams programs.

There are a lot of examples. I don't want to go into them, because I know other members have specific examples. But I think it's important that farming not be hindered by nuisance claims which really, in effect, cause the farmer to be unable to complete his farming operation or make plans for his farming operation in a judicious and prudent manner to make the whole operation worth while and continue with it.

With those few words, Mr. Speaker, I hope members will support second reading of Bill 203 and protect the farmer's right to farm without undue harassment. Thank you.

MR. ALGER: Mr. Speaker, I would like to rise on this occasion and offer a few comments on this most interesting Bill introduced by Shirley Cripps, the Member for Drayton Valley. To farm or not to farm; that is the question:

Whether 'tis nobler in the [minds of men] to suffer
The slings and arrows of outrageous fortune,
Or to take arms against a sea of troubles,
And by opposing end them?

That's precisely what we have to do, Mr. Speaker. The introduction of Bill 203, the Farming Nuisance Claim Protection Act, brings to light a number of considerations, and it is these I would like to speak on this afternoon.

Speaking as a farmer and rancher, I can understand the potential problems associated with the infusion of urban settlements into agricultural areas of the province. Such a combination sets the stage for the development of a number of conflicts between these two parties. To urban dwellers a move to the countryside represents an opportunity to lead a quiet, peaceful life. Country living holds all the promises of clean, fresh air, lack of noise pollution, and a chance to have some privacy, all of which are rarely found in the city. When an urban dweller moves to the country and finds himself living downwind from a feedlot or next door to a mixed farming operation, it is not surprising that he has a rather rude awakening. Agricultural smells, noise from farming operations at all hours of the day or night and particularly at harvest time, dust, and chemical spraying are pretty far from his notion of an idealistic life in the country.

On the other hand, the presence of nonfarming neighbours presents some new and serious problems for the farmer. Farmers have complained about problems such as indiscriminate dumping of garbage on farmers' fields; dogs from neighbouring residences roaming free, harassing and sometimes killing livestock; increased traffic congestion; and the increased incidence of trespassing, theft, and vandalism of farm machinery, crops, and livestock.

In many respects I can appreciate the urban dweller's desire to enjoy a country life. He has the right as much as anyone to choose where he wants to live and to enjoy that choice to the fullest. At the same time, however, I think it is important that we put this whole issue into perspective. Farmers also have a right to earn their livelihood. Aside from the question of rights, the agricultural sector is of primary importance to the viability of Alberta's

and Canada's economies and is basic to the survival of the human race. These farmers are producing goods which are essential for our day-to-day existence. The idea that a nonfarming neighbour who is unhappy with the smell or noise from farming operations has the power to affect or bring to a halt these operations is one that does not sit well with me, Mr. Speaker. As the author of *Farming in the Shadow of Suburbia* states so well:

People tend to overlook the fact that agriculture is an industry. It is an industry which, not unlike steel production or auto manufacturing, involves a degree of physical danger, makes some noise, and creates a certain amount of air pollution. It is an industry that cannot provide plant security by locking the factory gates. And above all, it is an industry that requires a lot of wide open spaces for production.

Attracted by the beauty of the countryside, people who would not think of moving into the middle of an industrial area build new homes in agricultural areas. Only later do they find that just like all other industries, the agricultural industry can affect neighbouring homeowners.

Someone once posed in jest that there should be a rural immigration law so that people contemplating a move to the country would first have to prove they know what country life is really all about. I'm not suggesting, Mr. Speaker, that we would ever seriously consider such a thing. But I do think it points out a need for city folks to realize that modern farming is not what it used to be or what they think it is now.

Farmers need to be able to perform their normal chores without fear of harassment or retaliation from their non-farming neighbours. In most cases the inconveniences experienced by nonfarmers are unavoidable by-products of the production of agricultural goods. Farmers need confidence in their future survival, especially at a time when they are already facing problems on a number of other fronts. I commend the chairman of the caucus committee for the very fact that he has us meeting almost three times a week to discuss these same problems. Yes, you're excused.

I would like to point out one concern I have with the Bill, Mr. Speaker. It comes from a letter I received from the municipal district of Foothills in my constituency. The council points out that the Bill does not make clear who is responsible for proving that there is or is not a nuisance. They feel that the onus should be on the nonfarming person to decide whether he wants to live beside the noise, odours, dust, and fumes that go with the territory. I'm no lawyer, Mr. Speaker, but since Bill 203 does not clarify the question of onus, it seems to me that farmers may still find themselves in court, even though the Bill would provide a ready defence.

I'd also like to elaborate a little on one other consideration in relation to this issue, one I feel is extremely important; that is, the increasing expansion of urban development into our prime agricultural land. The Member for Drayton Valley expounded on it a bit. I want to continue with this phrase, because the figures I have before me indicate that between 1976 and 1981, a five-year period, 267,000 acres of agricultural land were taken out of production for nonagricultural subdivision and annexation alone. I must point out to all of you here that this is land that will never be reclaimed for agricultural use.

In any discussion of the right to farm, we have to consider the broader question of land use policies. What is the point of enacting a right-to-farm Bill if land use policies continue to allow the penetration of urban land uses into the country? The most extensive area of annexation and

subdivision in this province is in the Calgary-Edmonton corridor, and ironically enough the land in this corridor amounts to 60 percent of the total amount of class 1 land in Alberta. That, of course, accounts for why you can grow such great gardens right in this city.

Mr. Speaker, in my constituency of Highwood we are blessed with several hundred families who live on, for the most part, very beautiful acreages. To the best of my knowledge our farmers and ranchers down that way have had little or no trouble with these law-abiding citizens. We have lots of farms, ranches, coyotes, feedlots, gas plants, auction markets, trains, truck traffic, and aircraft noise, and thousands of people who have to live with it all. Indeed, Mr. Speaker, it's a way of life devoutly to be wished for and enjoyed by all who live there. However, as time goes on and populations increase, as urban areas continue to expand into the rural countryside and mix with existing farms, I think it is inevitable that there will be a degree of increasing incidences of conflict between these two parties. Indeed, some of my readings of conflicting opinions in the provinces are enough to scare a person off the farm if the banker already hasn't.

I believe the Bill the Member for Drayton Valley has introduced is a most timely one. I am confident that a move such as this would help to ensure that the right of the farmer to make a living is protected while at the same time encouraging responsible farming practices. However, I would also like to make a few suggestions which I feel would aid in developing and maintaining a peaceful coexistence between farmers and nonfarming property owners. First, I think the prospective nonfarmer property owner should carefully assess the location of his proposed residence, and he should not build adjacent to a mixed farming operation if he does not like smells, noise, and sights associated with farming. Second, there should be serious consideration given to restricting certain new urban development on prime agricultural land. There are plenty of homes already situated on good acreages that are for sale for one reason or the other. There is really no necessity to build any more for a long, long time. Thirdly, the farmers must recognize that they have responsibilities too. They could, at little expense or inconvenience to them, act to avoid a conflict in the first place.

Another point connected with the farmer's responsibility in this matter has to do with the selling of parcels of land for nonagricultural subdivision. The state of Washington has a right-to-farm Bill on its books specifically denying protection to farmers who do this, because the lawmakers there felt that farmers who sell a parcel of their land for residential use are contributing to the problem. Mr. Speaker, in cases like that, farmers cannot have their cake and eat it too.

Lastly, Mr. Speaker, I have one more suggestion, as serious as my others but perhaps on a lighter note. This comes from a Mr. Mike Bennett, a waste management specialist in the province of Alberta. He suggests:

Fresh paint can change a person's perception of smell . . . if your barn and other facilities look bright and shiny, there's a greater likelihood they'll be accepted. The neighbours reason that you are doing the best you can and therefore are more ready to live with the situation. When I see a livestock operation near a community, I recommend that the owner install prefinished siding on his buildings.

And I know just where to get it too, Mr. Speaker.

In conclusion, I would like to congratulate the Member for Drayton Valley for introducing this Bill. As I said earlier, it is a most timely Bill and the topic provides us

with the opportunity to discuss and emphasize the importance of agriculture in this province.

Thank you, Mr. Speaker.

MR. LYSONS: Mr. Speaker, I too would like to get into the discussion on Bill 203, the Farming Nuisance Claim Protection Act. I applaud the Member for Drayton Valley for bringing it to the House.

We often wonder who the nuisances are in farming. Of course, farmers themselves are a great nuisance when they're moving machinery and so on. The city folk have been very patient and in most cases very tolerant of the problems that farmers create in their moving of machinery, livestock, and so on. With nuisances, I suppose one farmer is as much a nuisance to another as the worst possible scenario we could have.

What I believe this Bill is attempting to illustrate is the fact that once you are farming, you've committed your life to farming, and then somewhere down the road someone buys some land or changes the use of the land and many times you are denied that right to carry on as a normal farmer. When towns and cities annex land — and many thousands of acres are annexed almost yearly — a lot of that land has to sit barren until it's developed. But the farmer that would normally be farming that land is really denied his normal farming because of all the restrictions.

A common practice in rural Alberta these days is to spray rape crops and other grains with airplanes. When you get an industrial or residential area built up around you, you certainly can't use aircraft as you would like to. That is a very serious situation, particularly with canola, because canola gets certain diseases, bugs, armyworms, and so on that have to be sprayed. You can't go in with ordinary machinery; it has to be done by aircraft. In most areas that are annexed to a town or city, the use of aircraft is virtually eliminated; therefore, you can't grow canola. Inasmuch as this Bill doesn't specifically mention aircraft, I'm not so sure it shouldn't.

I have a little farm. Most of the farmers around this building would call it an acreage, but to me it's a farm. I've never been bothered that much by the people that have moved in around it, and there have been several. For the first while there were 13 dogs, but somehow or other they got thinned out. They will continue to be thinned out as long as they roam around. What I did was make a nuisance of myself when I bought some cows. A neighbour wanted to have a garden at my place. I said, "Sure, you can have a garden." In the fall everything got dry and nothing was green. His wife had these lovely big cabbages. The cows needed something green at that time of the year, and they went in and ate right down to the roots and even pulled some of them out by the roots. I was the nuisance there, because I didn't have a fence that was strong enough to hold out the hungry cows. We got rid of the cows eventually, and we thought we had that problem solved. The fellow that had the garden built a good, strong fence. We got some horses. Horses were worse than cows. They went in and cleaned up a good part of the fellow's garden. We never got in any serious trouble, although we got some long looks. But it just goes to show — I'm trying to illustrate what happens.

The other situation is the children that come around. Certainly all farmers love to have people come to their farm and look at things and so on. The children that have come to our place have for the most part been just normal children and haven't caused any problem. But on occasion

we have the 18- to 25-year-old children with their four-wheel drives who think that because there's no gate on the property they can go out and carve up a nice summer fallow field. That's when the nuisance factor comes in from the other direction.

Mr. Speaker, I could probably relate many, many instances where the shoe fits both ways. But I would really encourage the minister to have this made a government Bill, so we really have a basis to start from, where we can have agricultural land as agricultural land and have it farmed as the normal practice. I know there are situations where farmers do things that annoy other farmers, and that's a fact of life. But when you have a coulee or draw or ravine running out of your land and dirty water runs out of that and across the road or wherever and into a watercourse and is gone, as happens every spring, no one complains about it until you have a residential acreage or residential subdivision. Then you're in big trouble. It can be a very serious problem.

We're always concerned at our place, because we have an auction mart on the same quarter. My wife used to worry a great deal about the flies and so on, but we're used to it now. It doesn't bother us. We've never got sick because of anything the flies have done. We're used to animal smells, flies, pests, and all the other things that go along with agriculture. But if we had people that were normal city dwellers and they had the problems that come from that auction mart, I'm sure we'd have serious complaints. One of the more serious ones, of course, is in the fall of the year, when people wean their calves and bring them to the auction mart. Those cattle bellow for up to three weeks, depending on the cycle the farmer happens to be in with their weaning and selling and his harvesting and so on. You can hear those calves bellowing for miles and miles. They don't bother us, but I have heard complaints.

When the auction mart was at the edge of our little town's limits, people used to complain about the smell and noise. I remember one evening when I was in the hospital. They were dunging out the corrals. You could just about cut the air in the hospital with a knife. I was about to be on council at the time. It was suggested that we try to have the auction mart relocated, because they needed to build. So we went to some effort to have the auction mart build in the country. It solved our problem.

That auction mart was there for many years, and had it stayed there, I'm sure they would have run into much the same problem as the Agrimart did in Calgary, where I believe they spent in the neighbourhood of \$2 million for pollution controls. There was just no way that Agrimart could sustain that capital expenditure. Consequently, through that and probably other things, it couldn't survive. It went broke. That was a very major traumatic thing for the agricultural industry, the beef cattle industry in particular. That could happen to an individual farmer time after time, and we don't hear about it and don't hear the alarm. But when something as large as the Agrimart goes down, of course, we hear about it. It gets much more notice.

I have to compliment the member who preceded me for his discussion about *Farming in the Shadow of Suburbia*. It's a very interesting document, a tremendous article about case studies in land use conflict. It doesn't blame anyone in particular. But if we had this little law on the books, when cities and towns are annexing land or people are buying land to build on, I think they would have some idea that there is something out there to watch for and look for.

[Mr. Speaker in the Chair]

One situation that has bothered me for a long time is a real-life thing where a farmer bought a section of raw bush land. Several people were living in an acreage setting alongside this land. Everything had been comfortable and going for years and years with no problem. The farmer who owned the section sold it to his neighbour. The neighbour came in with big machinery, cleaned off the land, and started farming it as he had intended to. He changed the use of the land from pasture to intensive farming. These people got all upset about the fact that this man had destroyed all this habitat and all these other good things and so on, and had really ruined their homes. I had to go and visit these people one at a time and talk to them and say: "Well, what did you expect? That somebody would keep land out of production forever? Couldn't you imagine that someday somebody would come in and break up that land?" I wasn't very popular, but I was right. These people, who were actually profiting and benefiting from someone else's generosity, expected that things would go on forever.

If we bring in this Bill, possibly we should have a little amendment that would confirm that farmers could in fact improve their land and their farming to generally accepted farming standards. It may be implicit in the Bill; I'm not sure. If it isn't, I wish it would be.

With that, Mr. Speaker, I would like to say I will certainly support the Bill, and I wish the minister would ask that it be a government Bill. Thank you very much.

MR. HYLAND: Mr. Speaker, as I start to take part in the debate on Bill 203, the Farming Nuisance Claims Protection Act, many other members have outlined the problems that occur when farming areas are encroached on by acreage holders. Some of my colleagues have told me to say as much as I can for as long as I can with the amount of notes I have. I don't know how long that's going to take. I tried out a couple of stories on my colleagues near me, and they told me not to use those stories. So I guess we'll have to deal with the facts.

First, Mr. Speaker, the Member for Vermilion-Viking outlined the problem he had with a garden. He said there wasn't much of a problem with it. But I noticed that when he talked about it, he only talked about talking to the husband. I'll bet you a dollar that, as it is on most farms, the wife was doing all the gardening. I wonder what she thought of the problem.

Mr. Speaker, often property is purchased adjacent to farms. The farmer may have a feedlot on the property, and it may not even be full at the time that people purchase property near it. All of sudden people seem to feel that because they've purchased the property, they have more rights than the farmer who was there before. They feel they have the right to go to the county or MD or whatever the municipal area is and have that operation stopped because it's something they don't like. They don't like the smell or the noise from it. I think this is very unfair, because property adjacent to these places is often purchased for considerably cheaper amounts than acreages elsewhere. They purchase it at a cheap price, and then they start making noises about its infringing on their rights, that they shouldn't have to smelt the feedlot, and stuff like that.

We heard from the Member for Drayton Valley about the long-delayed attempt to have a feedlot near High River. All these people don't want to have the smell of these operations around them, but they sure like to go out on

their acreage in the evening and set up their barbecue and barbecue a steak. I don't know where some of them figure the steak comes from. From anything I know about farming, there's a certain amount of smell associated with raising steak till you can get it to the stage that it lands on the barbecue.

AN HON. MEMBER: But it's a healthy smell.

MR. HYLAND: One of my colleagues says it's a healthy smell, and people used to say until a short while ago that it was the smell of money. I'm not too sure that it's a smell of money anymore, but it's probably still a healthy smell.

Mr. Speaker, there are also other problems that occur. I can think of one example in my constituency. A farmer had buildings on a certain site. The buildings were on a farm he took over from his parents near Hilda, a small hamlet in my constituency. A Hutterite colony was started a couple of miles away. Of course, with that kind of operation, there is a significant number of feedlots, hog barns, and chicken barns. This gentleman has persistently tried to get something done about the smell. It seems, at least to him, that every time the wind blows the lagoons of the barns are emptied. He feels that that is affecting him. He was there first; they were after. Yet anytime any government checks this operation out, it's found to be within the guidelines of how these facilities should be operated. By the time it's reported and the inspectors get out, of course, the wind in that country has blown for a few days and the smell has blown away. By the time the inspectors get there, the smell isn't there anymore.

So in some cases, Mr. Speaker, it isn't just encroachment of people buying acreages. There are times when there is a change of agricultural use in these areas and to a more intensive use that makes it very uncomfortable for people in adjacent holdings who have often been there longer than those that exist. In this case there has been, at least up till now, little the landowner could do. Of course, this hasn't made him very happy, because it would be very costly for him to move his house and outbuildings to a different location. He doesn't feel he should have to pay for that, because he was there first. I think that outlines a problem that can occur. It's not necessarily people who have just moved into the area who complain and cause those kinds of problems for a farming operation.

We also often hear of problems with irrigation reservoirs where people forget what the reservoir was initially put in for. They believe that it should be totally recreation, that that's all that should be on it, and they get upset when the water level drops down because there's a heavy draw of water in the summertime for irrigation. My point in using that illustration, Mr. Speaker, is that the problem is not only with farms and adjacent farms but also with other things that are associated with agriculture such as irrigation. We must remember why some of these reservoirs were constructed and realize that irrigation water has the first call on them and that they are subject to wide fluctuations of levels when the water is needed in the summertime.

Mr. Speaker, there are probably other members who would like to speak on this Bill at another time. As I said when I started, I don't know any stories I could tell that would be appropriate, and my colleagues have advised me not to use any that I tried out on them. So I would like to thank the members for listening and urge them to support the Bill.

MR. PURDY: Mr. Speaker, in view of the fact that I have many notes here and in view of the hour, I beg leave to adjourn the debate.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. HORSMAN: Mr. Speaker, this evening it is proposed to deal in Committee of Supply with the departments of Municipal Affairs, Labour, and Recreation and Parks, in that order if reached. I propose that when members reassemble at 8 o'clock, they do so in Committee of Supply. I therefore move that the Assembly stand adjourned until such time as the Committee of Supply rises and reports.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

[The House recessed at 5:21 p.m.]

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

head: COMMITTEE OF SUPPLY

[Mr. Purdy in the Chair]

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

Department of Municipal Affairs

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

MR. KOZIAK: Thank you, Mr. Chairman. Yes, I do have a few opening comments I'd like to make.

Mr. Chairman, in reviewing the estimates of the department, members will note that there has been a modest increase in the request for funds of the Legislature for the Department of Municipal Affairs. That modest increase is 1 percent. At the same time, members of the Legislature will recognize in looking through those estimates that while a modest increase has been requested, a fairly generous increase has been provided to municipalities in terms of grants, particularly unconditional grants. The way in which that has been arranged is by making reductions in other levels, particularly within departmental expenditures.

We have been very successful in privatizing many of the efforts of the department. The incorporation of improvement districts Nos. 1 and 10, now the municipal district of Cypress No. 1 and the municipal district of Clearwater No. 99, has freed up about 12 positions in the department. Another 99 were transferred as a result of the amendments to the Special Areas Act, and that provides for direct hands-on responsibility for those positions in the Special Areas where the services are provided. Another nine positions were deleted from the overall establishment of the department. So there is a reduction in this year's budget of 15 percent in the total manpower, from 120 positions to 676 positions.

As I indicated, Mr. Chairman, the unconditional grants have been increased. Our goal with respect to the unconditional grants has been to equalize the grants amongst all of the municipalities in the province. When I first took office, a number of municipalities raised concerns with me as to their particular level of grants in comparison with the level of grants paid to other municipalities. In reviewing their concerns, they were found to be accurate. We embarked upon the establishment of a new formula which, for urban Alberta, took into account the two most significant factors, namely population and the assessment base that a municipality holds, so that the greater the population of a municipality, the greater the entitlement of that municipality to unconditional grants. At the same time, that number would be modified by the assessment per capita, so that the richer the municipality, the less entitlement that municipality would have to unconditional grants.

The same concept was applied to rural Alberta, with one additional factor which recognized the uniqueness of rural Alberta. That is the very significant fiscal and other responsibilities that councillors in rural Alberta have for their network of road systems. Recognizing that fact, kilometres of roads were also included in the formula to determine a municipality's entitlement.

This year we found that when we applied the formula to municipalities across the province, there were municipalities that were receiving less than they were entitled to, municipalities that were receiving approximately what they were entitled to, and municipalities receiving more than they were entitled to. We identified a number of municipalities which were receiving significantly more than they were entitled to — and by "significantly" I mean specifically more than twice what they should receive when the formula is applied to their set of circumstances — and reached the conclusion that if we are going to reach some sort of equity, we would have to start not only building those up at the bottom but also reducing those at the top. A decision was then made that no municipality would receive more than 200 percent of its 1985 equitable grant.

I know that the Chairman, the MLA for Stony Plain, has raised a concern with respect to his village. While I can express some sympathy, I should point out that because of its very significant assessment, that village had a 600 percent grant when the formula was applied. Accordingly, that village was reduced to 200 percent. A total of 14 municipalities in the province received decreases as a result of the application of the 200 percent ceiling.

At the lower end of the scale, we've moved many municipalities up into the 90 percent area, with our goal being that we would try to get all municipalities up to about the 85 percent minimum level this year. Our goal for future years will be to further benefit those municipalities that are receiving less than 100 percent and, at the same time, reduce those that are receiving above 100 percent. It's our expectation that next year, the reduction will be from 200 percent to 175 percent. In other words, those municipalities receiving more than 175 percent of their entitlement would be reduced to 175 percent. The ability of the department to move those at the bottom of the scale up will depend on the generosity of the Legislature when we discuss the estimates of the department next year.

The significant new element in the process, Mr. Chairman, is the one that appears in vote 2.4, the senior citizen accommodation municipal tax grant. As members are aware, we had received representations — I'm sure many members of the Legislature received representations from their muni-

cipalities — to the effect that when the province, through its very generous support programs for senior citizens, built senior citizens' residences in municipalities, that did not provide a source of taxation to that municipality. In fact, when land which was previously assessable and which previously paid tax saw the construction of a senior citizens' residence on it, that land was removed from the tax roll to the detriment of the overall municipal tax position.

No doubt there was an expectation that municipalities should contribute somewhat to the benefit of senior citizens resident in their municipality. However, the caucus considered very carefully the representations and responded positively. I might also add that there is a committee reviewing the grant structures that affect municipalities, a committee which has representation from the major associations representing municipalities in this province, and they, as well, recommended the province move in this direction.

We probably exceeded the expectation of municipalities in that not only did we provide for a grant in lieu of taxes on Crown-owned lands — that is, Crown-owned through the Alberta Mortgage and Housing Corporation through the budget of my colleague the Hon. Mr. Shaben — but in addition, we provided the \$800,000 that's shown in vote 2.4 to provide grants to municipalities on those senior citizens' residences that are privately owned but, under our legislation, are exempt from paying taxes. So it's a significant benefit that is being provided to municipalities by reason of the combined total of these two programs.

I know that hon. members will have specific questions about the votes. However, I thought I might just take a moment to identify the most significant committee that is now working within the area of Municipal Affairs, and that is the committee that has been working very hard on the matter of legislation affecting elected councillors on municipalities. I'm very pleased that the president of the AAMDC, Reeve Wallace Daley, and the president of the AUMA, Mayor Doug Fee, have joined Tom Forgreave, the assistant deputy minister in the Department of Municipal Affairs, in working on this very important area. The conflict-of-interest advisory committee has produced a preliminary report, which was made public by me at the meeting of the AAMDC in Red Deer on the first of this month.

It's a very significant area, because I have, from time to time, received representations councillors and from others who have an interest in providing service in the municipal area of government in this province that there's basically a myriad of laws and regulations in the Municipal Government Act that affect councillors and that are sometimes difficult to apply and to interpret, and that this is a matter that, on occasion, has caused people to think twice about serving, about seeking office, and in fact has caused people to decline opportunities to seek office. We found that in some particular small locales, people were unable to serve at all because of the provisions.

Now, it's important when we deal with the matter of conflict of interest that we keep in mind the overall guiding principle that must affect all of us in the discharge of our sacred trust as elected representatives of the people. Mr. Chairman, the most significant principle is that by reason of office, one should not confer a benefit upon himself, his family, or associates. Coupled with that should be understood that a person who seeks and serves in elected office should not be in a better position than other citizens of the province, than those he represents, nor should that person be in a worse position than those that person represents. Two very significant and important principles in this area.

Admittedly there are always going to be certain challenges, certain difficulties, so to speak, when people seek and serve in the public arena. There is no doubt that in the public arena there is a fishbowl environment, and the affairs of members are open and subject to scrutiny. But that is the way it must be. No attempts to change it should be made, because it is through that public scrutiny that we can assure ourselves that the sacred trust we hold is discharged without the conferring of benefit, which I referred to in my remarks as one of the principles that should guide us in this very important area. It's through that disclosure process, which is one that we've identified in this Legislature with the Legislative Assembly Act and that the Premier has identified with his required disclosures of cabinet ministers, that that process is served, that transactions that may involve members of this Assembly or municipal councillors would always be subject to scrutiny by the public. That process ensures that the principle I've identified is justly served.

In that process we must not be confused, because there is sometimes a tendency towards confusion. That confusion is that because there may exist an interest, that in itself is a presumption of a conflict. No, Mr. Chairman. The interest should be disclosed. People should be aware of the nature of that interest, so that if in fact there is evidence that a member used a position that he holds, a sacred trust, to confer benefit upon himself or his associates, that can be made public. That is the process, but the fact that an interest exists does not, of itself, suggest anything except the disclosure process that I identified. It is part of the requirements of public life. It is part of the fishbowl environment we must all operate and make decisions in.

That important area, Mr. Chairman, is one that the conflict-of-interest advisory committee is studying. Their preliminary report will provide the basis for further discussions and input. That committee would then like to receive final comments by September 15, 1985, and subsequently, attention will be given to such legislative changes as are necessary to implement reforms and improvements. This I see is a very important responsibility prior to the 1986 municipal elections.

Mr. Chairman, finally one last comment, which deals with the financial status of municipalities in this province. I'm very proud of our municipalities. We've got excellent leadership, excellent representatives who have a real keen sense of fiscal responsibility in this province. They provide the kind of leadership at the local level that, on many occasions, the province emulates. It's good to see that councillors care about their taxpayers, that they do not embark upon expenditures unnecessarily and without thought, and that they are careful about the level of debt that their municipalities undertake.

I'm particularly pleased with the rural municipalities. In our budget speech, Mr. Treasurer, we have taken a considerable amount of pride in the fact that we're a pay-as-you-go government, that an insignificant portion of our annual expenditures are needed to service debt. It's a sliver that's hardly seen when one looks at the coin showing the distribution of government expenditures. Municipal districts and counties are in much the same position. Hon. members would be pleased to know that in 1983, 10 counties out of 30 and 12 municipal districts out of 18, at that time, had debt service charges of less than 1 percent. So their position is much like the province's: less than one cent in every dollar that they collect from their taxpayers and spend on behalf of their taxpayers is necessary for servicing of debt. In 1983 municipal districts had an average of 1.22

percent of their expenditures dedicated towards debt servicing, and counties had an average of 3 percent of their expenditures dedicated towards debt servicing. So congratulations are in order to our municipal governments.

I'm also pleased at the overall improvement in the financial status of municipalities following the very important municipal debt reduction plan of this government in 1979. I've compared the operating reserves and the capital reserves of cities, for example. In 1979 the operating reserves of cities were \$36 million in total. In 1983, based on the wise husbanding of resources and the benefit of the municipal debt retirement program, the operating reserves were \$182 million, an increase of 505 percent in four years — very significant, very important, and again, an indication of wise fiscal policies on the part of municipal governments. Capital reserves increased from \$53 million in 1979 to \$183 million in 1983, an increase of 345 percent. Again, Mr. Chairman, I'm very pleased with the general overall fiscal strength and the strength of local government in this province.

I urge members of the Legislature and members of this committee to support and vote in favour of the estimates of the Department of Municipal Affairs as presented this evening.

MR. DEPUTY CHAIRMAN: For all the hockey fans, the last score I heard was 1-nothing for the Oilers. Oh, it's 1-1. I hadn't had an update.

MR. GOGO: Mr. Chairman, I'd like to make some comments and put some questions to the Minister of Municipal Affairs. First of all, in the minister's concluding remarks he made reference to municipal government in this province and the tremendous contribution many of those aldermen and councillors and reeves and mayors make to their communities and to the province. I certainly concur. I'd like to open my comments with a commendation to the minister himself, to his EA, John Szumlas, and the deputy, Archie Grover. From the point of view of Lethbridge, each time there is a municipal election there are new faces. Those people have questions that beg answers and demand answers. I think of how often the mayor and aldermen have been to Edmonton, to the capital city, and the minister has always been available, without question. Recently he flew to Lethbridge to meet with them. I want to commend the minister and his staff for a very high degree of openness, helpfulness, and co-operation. I'm sure I can speak for other parts of Alberta, but certainly for Lethbridge.

I noticed, Mr. Chairman, that the minister's department has an increase of only 1 percent in total funding this year, with guidelines, I understand, of downsizing — the latest buzzword. He lost only two people, which I guess means he's very successful with his colleagues in Executive Council and perhaps, as a member of the priorities committee, has an undue influence on the financial arm of government in that he has been able, in a significant way, to keep the strength of his department pretty good. Whereas other people have lost fair numbers of people, the minister has been very successful. For that he should be commended.

I have some questions. The minister was talking about all parts of his portfolio. In the interests of time, if it's acceptable to the minister, I'd like to raise some questions that happen to be in different votes. Perhaps he can respond. If it's acceptable to you, Mr. Chairman, and to the committee, I'd like to ask some questions. First of all, in vote 2 we have unconditional grants to my community increasing by some 12 percent, which is very meaningful, certainly

necessary, certainly well deserved, and acceptable to Lethbridge. At the same time, I think the minister didn't mention the significance of unconditional grants to municipalities. Aside from the dollars, the very principle that government, through the minister, sees fit to give grants unconditionally to municipalities, without strings attached, indicates the faith he obviously has in the municipal government level.

In vote 4, with regard to planning boards, under the regulatory boards I see he's reduced the budget some 14 percent. That looks very good until you consider where the difference has to be made up. I think there's been a tremendous shift in municipal governments in terms of picking up that slack, because at the same time we see that the minister has given directly to the Alberta Planning Board, as opposed to the Planning Fund, an increase of almost 6 percent. Perhaps he could comment on that. On the one hand, he's reduced total funding to the Planning Fund by almost 15 percent. I would assume that's because of the decrease in activity at subdivision and a variety of things, but at the same time the Alberta Planning Board has had a substantial increase of almost 6 percent. I'd like the minister to respond as to why the difference. Is it simply a shift of dollars in term of responsibility at the municipal level, or is it indeed a reduction in activity? If that's true, why don't the two mix? Perhaps salary increases for planning board members have made up the difference. I don't know, but the minister may want to respond to that.

In vote 5 he has had the assessment advisory service increased 113 percent. That seems to be a very significant increase. I'd be interested not in the 113 percent but in knowing what the assessment advisory service consists of. It's found in the clement books under vote 5.

Mr. Chairman, perhaps the minister could make some general comments. As the minister responsible for the Municipal Government Act, he has the responsibility for the things called assessment notices that go out by statute, I believe. Anyway, they are a requirement of municipal government. I thought they were to be out several months prior to a mill rate being struck or taxes being due and payable. Yet this year, in my community, assessment notices didn't arrive. As the minister well knows, that's the only opportunity for a ratepayer to object to any change in assessment, not with regard to the tax notice; that's long past the point. As I understand the Municipal Government Act, it is mandatory for municipalities to issue assessment notices. We would be interested in the response of the minister with regard to penalties under the Act. I thought it was a maximum of 12 percent, but as I'm sure the minister knows, on July 1 some municipal governments levy an 8 percent penalty followed by 2 percent per month. If you annualize that, you're into 24 percent. This question was raised with the minister last year. At that time he responded in such a way as only his eloquence could get away with. The committee was satisfied with his answer, but I don't see any change.

If he would, Mr. Chairman, I would like him to respond to those concerns. I, too, would like to strongly suggest that the committee as a whole support the minister's estimates. Thank you.

MR. THOMPSON: Mr. Chairman, I would like to spend just a minute or two commending the minister on one area of his responsibilities that really doesn't have a very high profile as far as this House is concerned but basically is going to become more and more important. That is the

way he handles the Metis settlements. I think his department, especially Robin Ford, who is involved in that, is doing an exceptionally good job working with the Metis people on the settlements. It's not an area that we have to spend a lot of money on, but just the same, it's an area that I think is going to become more and more important as time goes by.

I think the department takes the right approach. They are interested in seeing that some form of local government is set up on these settlements. They're working at it in a way that I think will at least ensure some good results. They're not just dumping local government on these people. They're making an honest attempt to get the administration set up on the settlements and work done by local people. Basically, I think they're encouraging them to run their own government, and I think that's something we should all be proud of.

Hopefully, in the future, some of the recommendations of the MacEwan report will bear fruit. I really believe it's an area that we should support the minister in when it comes to making some of these decisions. Sure, there are problems out there, and all of them aren't going to be solved in the immediate future. Basically, I think we're taking the right approach, and I hope we can come up with some kind of local government based on the ID principle where they become involved with the government more than they have in the past.

MR. GURNETT: Mr. Chairman, I also have some questions and comments that I'd like to direct towards the minister. Let me begin where he finished, and that's with compliments to those people who choose to be involved in various levels of local or municipal government. From the many people I know in my area, I know the amount time and inconvenience in their own personal lives that they're willing to put up with to serve in the various local governments, especially in the rural areas. It's not a small thing that's taken on when somebody agrees to do that. It was good to hear their efforts commended as they were.

I want to suggest, though, that I have a concern. When we look at a set of estimates that involves \$374 million being spent for municipal government and hear the kind of comments the minister was making about the importance of municipal government, I don't get a strong sense yet that this government recognizes the potential of municipalities as real partners for growth and development in this province and that there's still a strong element of paternalism in the relationship between the provincial and municipal governments. I have a concern that the quantity of money we spend, the number of dollars that go to municipal government, does not necessarily translate into an indication of a respect for the value of municipal government and, as I said earlier, their status as an important partner or an important element within the governing of this province. Some of my questions relate to that.

There's no question that municipalities are very, very important, especially, for example, in the growth of the service sector in the economy in this province and in connection with the growth and health of the independent business community in this province. My perception is that the more influence municipal government has and the more freedom it has to make decisions to support both the service sector and independent business, the greater the likelihood that those areas will, in fact, benefit in this province as opposed to their depending completely on the activities of the provincial government.

There are a few things I'd like the minister to respond to, Mr. Chairman. One of the things I'm interested in is the idea of more consultation between municipal and provincial governments. I'd be interested if there are plans to extend the idea of economic conferences, various types of bringing people together, to deal with specific issues that are important to municipal government in this province.

I'd also be interested in whether or not the government is giving consideration at all to the concept of true revenue sharing. My colleague from Lethbridge complimented the size of the unconditional grants. Certainly I'm much happier to see unconditional grants going to municipalities than to see an increasing emphasis on conditional grants that have a lot of strings attached to them. But even beyond unconditional grants, there's this third possibility that I'd be happy to hear the minister comment on. That's the idea of true revenue sharing, where the provincial government makes a genuine commitment to provide real democracy to local government by guaranteeing that a certain percentage of the income from resource revenue in this province would go directly to municipalities and would be under their jurisdiction to decide what to do with. This could be a consistent figure that was pegged and would give them something of the same freedom and status to operate that the provincial government enjoys. I'd be interested in comments about the idea of revenue sharing as a new level of involvement of the provincial government with municipal government that takes us beyond even the idea of unconditional grants.

I'm also wondering whether the minister has consulted with the Alberta Urban Municipalities Association to determine how the provincial job creation schemes might be better co-ordinated with municipal governments, with municipal efforts, so that the province could cost-share municipal ideas for relief of unemployment and encourage municipal governments to be creative and innovative and to develop ideas for solving unemployment difficulties in their own particular areas.

I wonder if the government has considered a Main Street, Alberta, program along the lines of the kind of program that's in place in Manitoba, a kind of program that would provide funds for the renovation and maintenance of the main streets in small municipalities, in small towns and villages around the province. It seems to me that involvement in a program like that could do a great deal to encourage and support the health of the kind of small, independent businesses that exist in the small communities of the province.

I also wonder what progress might be made towards increasing the autonomy of municipalities in other than financial ways. I already suggested that it seems to me that the idea of true revenue sharing between the provincial government and the municipalities would give more autonomy in a financial sense. I wonder if other ideas are being considered or explored within the Department of Municipal Affairs that would also give those hardworking and committed members of municipal government a better sense of their having real autonomy, real control over what's happening in their municipalities.

Another agency within the province that I know the minister is familiar with and that I've been very impressed with is the growth of local development committees. On Tuesday evening I had the experience of attending the hearings of the Northern Alberta Development Council in my constituency. Two bodies, the Dunvegan north and the Smoky River local development committees or groups, made very creative and interesting presentations at those hearings.

I'm wondering what support is available to groups like this that develop within local areas and are interested in improving and extending the health of various municipal areas, whether the provincial government is involved in assisting organizations like these in any way.

I also want to commend the minister. I think the action being taken with the conflict-of-interest advisory committee is good and healthy. I'm pleased to see it and to hear that there's a date when we can look forward to a final report and that we'll see some recommendations after that. It's an important job, as we've heard. I'm happy that it's proceeding and that we have at least the preliminary report available to us.

I would also be interested in the minister's comments on a review prepared by a couple of aldermen in the city of Edmonton that made a number of statements that have a lot to do with what's happening with municipal government. Just to review some of the things these two aldermen said in their review, they suggested that because education is of general benefit to society as a whole, the logical source of funding for education is from provincial general revenue. That's something I look forward to talking more about when the education estimates are before us. They also said that specific attention should be given to the use of income tax, which is a more equitable way of spreading the cost of educational financing because it's tied to the ability of people to pay. They then went on to say that if school boards continue to get their financing in fairly significant amounts through municipal property tax, those boards should be made responsible for issuing their own tax notices and collecting their own levies. That's one of the areas I'm interested in the minister's comments on: school boards assuming that responsibility that now goes out through the same channels as other municipal taxation.

These aldermen also suggested that the province should pick up the tab for the servicing and holding costs of land that may eventually be used for building schools. Presently these costs are borne by municipalities, and they place another burden on the limited financial possibilities of municipalities. I would be interested in the minister's thoughts about that particular action, changing who is responsible for the costs of those lands, and also about whether or not municipalities should be guaranteed a consultative role when school boards are making decisions about closing schools or reducing programs in schools in particular areas. Because of the involvement of municipal government, what role should they have in being consulted or being contacted when things like this come up?

There are three specific questions I'd also like to leave with the minister about areas where I see reductions in spending in the estimates. I'm happy to see that a number of communities in this effort with the unconditional grants to be sure that the funding is fair. A number of communities in my constituency have received increases to bring them up to where they deserve to be, and I'm happy to see that. I would be interested, though, in why there is an overall decline of some size in the funding going to improvement districts. I realize that to some extent that's affected by the two IDs that will no longer have any funding, but there are a number of other improvement districts that are seeing cuts between 10, 11, and about 26 percent. I wonder what the relationship is there. Is there still a problem where the balance the minister talked about between population and assessment is not really working out as well as it should and that areas with very low populations, which tend to be the improvement districts overall, even with the attempt to

balance things taking into consideration the assessment issue, are still ending up proportionately doing poorly. I think we've got to keep in mind that providing services is very thinly tied to population and that, beyond question, it's considerably more expensive to provide a great number of services, including transportation, in areas like the improvement districts as opposed to some of the more heavily populated parts of the province.

I'm concerned to see in vote 4 the overall decline of 6.7 percent in money that will be spent in planning services. I think all of us recognize, Mr. Chairman, that in the increasingly complicated situation we have in the world today, effective and long-range and careful planning has an increasingly important role. There are so many great costs that are being borne by government today that are really just trying to make up for the damage done by ineffective planning at times in the past. So when I see all areas of the area for co-ordination and administration of community planning being reduced by various amounts from 4.6 to 14.8 percent, I wonder if there's a good explanation for that in view of the importance that planning really should have.

Finally, I'm concerned and would be interested in the minister's comments on the 27.8 percent cut we find in vote 5 related to support to Metis development. That's a decline of close to \$900,000 in that particular area, and it's one of those areas that, to my mind, needs particular attention and we want to continue to assist as effectively as possible the development of excellent municipal government in these areas of the province. I'm interested in why we see such a significant loss of revenue to that particular area of the estimates.

I look forward to the information the minister might be able to provide in those areas and to the continued good work of the Municipal Affairs department in seeing that municipalities do, in fact, move on to become true partners in the health of this province.

MR. WEISS: Mr. Chairman, I appreciate the opportunity to take a few minutes to make some comments and, as well, raise a few questions with the minister pertaining to his estimates.

In the minister's opening remarks, I wasn't sure if I heard his reference to the ID advisory boards. I don't think I did. At this time I would like to raise my sincere thanks. As the Member for Lac La Biche-McMurray, I've had the opportunity of working very closely with the advisory boards and improvement districts and certainly would like to compliment them — hard-working, dedicated, sincere people. I think the minister would appreciate hearing that from a rural member in particular, because we find that they work very closely with us. The business about partners in planning and partners in working together certainly is very indicative and true of the ID advisory boards.

The particular question I want to raise is that I have a bit of a problem in trying to explain to the city of Fort McMurray the relationship between the unconditional support grants and the former ID tax transfer from ID 18, which was initiated by the minister's predecessor, the Hon. Marvin Moore. I feel very pleased with that agreement, that we had in place for five years. It was a five-year agreement which ran to the end of the period, where there was a significant tax transfer up to 10 mills from ID 18 to the city of Fort McMurray. That assisted them through what was termed the rapid-growth period and, as well, with some

of the development stages they were undertaking as a result of the Syncrude plant and some inequities.

In particular, while the recent review — and the minister has indicated that it's resulted in some change and there's some significant increase to the city of Fort McMurray in the unconditional grant area. The city of Fort McMurray is just embarking upon a study, at some great cost I might add to the minister, to ascertain whether they are or are not receiving what they would term their fair share of grants. I maintain that the tax transfer has been very equitable and very fair, that that five-year agreement was put in place and lived to fruition, and in particular with the change now, that they are receiving a fair assessment. I would like the minister to clarify that so I in turn can respond to the city with regard to this, because it comes up quite often. You'll note in the expenditures under 2.1.6 the 9.5 percent increase from the '84-85 period.

I'm pleased to also let the minister be aware that we were very interested in the land tenure program that is in a bit of a moratorium position or status quo. I encourage the minister to review further programs to pick up on the land tenure program. I felt it was very successful in the rural areas in northern Alberta. While some might have concerns and disagree, I feel it was very beneficial to those citizens, in particular in the communities of Anzac, Conklin, and others. They are very, very appreciative. It's a great pleasure to now drive by and see the homes and the change in the communities and the ongoing development. So I hope the minister will be looking at some replacement program or something in that regard to build on.

I echo the support of the Member for Cardston, who talked about the Metis settlements. I, too, want to say something about it. In particular I feel that the minister's department is handling it very satisfactorily, and I encourage the minister to make representation to all rural MLAs and to cabinet to perhaps take a new approach. I have a concern with the number of departments that are involved in delivering services to the Metis settlements and to the communities, and perhaps would favour a one-window approach through the Municipal Affairs department, so that it wouldn't find the people in the community and the leaders having to work with so many different departments and, in particular, create what I call more problems. I believe the minister and his department are very capable of handling that.

The minister's department and staff have helped me very often during the past year, Mr. Chairman, and I'm very appreciative of that. I look forward to the ongoing years and hope we will be able to develop some of the programs I've talked about.

I should reiterate to members of the Assembly, Mr. Chairman, that we had a very interesting, unique situation occur in the small village of Plamondon this past year. We've stripped the minister of his mayor's hat, which I'm very proud to say we've done. The community rose to the occasion, and we now have a new council in place. I extend once again a sincere thanks to those individuals in the community who allowed their names to stand and rightfully took over the representation of the community and will hopefully work out their problems. Some of the minister's department worked very hard and very long in bringing that about.

The brief comments I make relate in particular to the department. I would appreciate the response with regard to the ID tax transfer and perhaps further commitments or ongoing commitments in regard to the land tenure program.

MR. JONSON: Mr. Chairman, I'd like to start by saying that I think the Department of Municipal Affairs is noted as being a department that is running well, running smoothly, and I think the minister and his staff are to be commended for that.

I'd like to take particular note of the aftermath, so to speak, of the establishment of the new municipal district of Clearwater No. 99. The transition seems to have been very well handled, and that particular municipal district is going into the initial stages of self-government in a very good manner.

Particularly appreciated is the fact that through the good offices of the Minister of Municipal Affairs and the Minister of Education, it has been possible for the municipal district of Clearwater to retain the established jurisdictional services as far as education is concerned. I think the school division of Rocky Mountain House and the county of Ponoka have served the district well over a number of years, and the provision for that continuing to be possible is much appreciated by the residents. Factors of transportation and geography have, in my view, made that a necessity. As I said before, I think the continuation of those arrangements is for the betterment of education in that area.

I'd like to make just one caution, or one note, on something that I think should always be considered by the Department of Municipal Affairs. That is a continuing and, in my area, growing concern that while it is important that there be every possibility in municipal affairs for local autonomy, with the transfer of responsibility to local governments there is not always an adequate recognition of the cost requirements that sometimes follow the transfer of authority and the opportunity for local autonomy. I've often heard the expression that while they do not want to avoid or move away at all from having more local autonomy, they think some of the moves that have been made are not being followed by the funding that there should be. I know we can discuss the merits of that comment, but I think we should always be aware that that concern is out there.

I have two questions for the minister. First of all, since it is certainly part of the overall budget picture for his department and for the government, I wonder if he could outline for us the overall impact of the changes with respect to equipment and machinery assessment on industrial sites. I think it is a concern that these changes have been made, from the point of view that there is some net revenue loss in the short term. I find that the long-term implications of this move and the financial situation it establishes are not well understood. I wonder if the minister would outline that on a more long-term basis.

Finally, the other question concerns the County Act review. I know that in the minister's estimates this particular activity does not involve a significant amount of money. But it is certainly a topic which has gained a great deal of interest in our area, and I think that interest is on different sides of the question. I ask the minister to outline what the plan is, what the opportunities are going to be for public discussion of the discussion paper, which is now available, and if he would also outline the time line of the plan that's in place for considering that input and eventually acting upon it.

Thank you.

MR. CLARK: Mr. Chairman, I would like to compliment the minister and his staff on the way the department has been running and also on the smooth manner in which ID 7 has been partially made into an MD. I would like to

know what the status of ID 7 is now and whether they are going to continue to leave it as an ID or whether, since the municipalities have taken the top lands and made it a more viable proposition, they're going to make it into a municipality or give it a chance to be a municipality in any way.

I spent quite a few years on the county council of Wheatland. I never thought revenue sharing was a large concern for the people, especially in the rural areas. They realize that with the unconditional grant system we have and the formulas they use to arrive at those unconditional grants, we do have revenue sharing to an extent, and they seem to be quite satisfied with that type of revenue sharing. In the nine years I spent on the council, I have yet to see a great concern or any desire to have revenue sharing in any other form. I agree with the minister when he says that they are responsible people and they realize that expenses come with industry and that they also have to share, and they believe it should be shared. I believe they still support the unconditional grant system we have. I congratulate the department for keeping it.

The only other thing I was going to mention was what the Member for — where is he from?

AN HON. MEMBER: Ponoka.

MR. CLARK: I didn't want to say that in case I was wrong.

There is some concern, Mr. Minister, on the review of the County Act. I know you attended several meetings, one with the reeves, and I know you've received letters from some of the municipalities and counties. I also know that at a meeting in Red Deer, where both the school officials and the county officials were present, they voted almost unanimously to leave the county system the way it is now.

My question is: if we are going to go ahead and change the county system, will the counties that are affected have a chance to opt out and go back into the municipal district if they can see that it's not working for their area? Can they opt out if they don't feel it's going to suit their municipality? They have some concern that it's going to increase the expenses in the county and will do away with the viability of the county system, which more or less also goes hand in hand with the changing of the school year, to have two different school year-ends for the counties and the schools. They figure that between the addition of the two into the county system, it will almost be the downfall of the county. Many of them look like they would like to go back to a municipal district. I know you've had some meetings with the reeves, and I would be interested in hearing what their comments were and what your recommendations are going to be in that regard.

MR. DEPUTY CHAIRMAN: For the hockey fans, I understand there's a 2-2 tie.

MR. NELSON: Mr. Chairman, I have a couple of comments to make. First of all, in general terms I think the province and the municipalities have a feeling of partnership in our activities within the province. I guess in many respects I can speak from the point of view of the city of Calgary, having served, along with some of my colleagues, as alderman in that city for a number of years. In general terms I think we've felt most of the time that we've been a partner in the activities of the province and have had general support from the government.

There is one particular thing I would like to comment on. The announcement through the budget of the financial support for municipal programs made a considerable advantage to Calgary in trying to get them up to the same level as our sister city to the north. In fact, what apparently has happened is that it's going to cause a reduction of .9 percent in the original increase in the mill rate in Calgary. This is caused due to a 1.8 percent increase in the financial support to Calgary, which brings its support in this program to \$16,340,979. I think the city of Calgary, and certainly the property tax payers, appreciate the fact that we're making an effort to assist that city with their financial considerations.

The consultation process with local government sometimes may appear to be somewhat difficult. I also think that it is available to local governments. I know the members on the government side of the House certainly spend time with their communities and councils, and what have you, and relay messages back to the Minister of Municipal Affairs and other areas of the government. This certainly is an extremely important area of communication, in addition to the various meetings that are available through the AUMA and other particular situations that occur from time to time through various committees that are represented by municipalities. Speaking on behalf of Calgary, or at least part thereof, I'm sure that if city council, the mayor in particular, wanted to discuss some issue with the minister, he's quite accessible to the mayor. I know there's a good dialogue going there, and I'm also certain that there's a good relationship not only between the minister but the government and the mayor of Calgary. It certainly is productive when you have a mayor who is receptive and available for this consultation, because it makes for tremendous relationships between the department and the city.

There are a couple of other areas that might be examined in future times; that is, the request for various types of legislation that may be of a permissive nature which may be of a benefit to a municipality. Of course, giving permissive legislation sometimes takes the onus for certain activities in the municipality away from the provincial government, and it really doesn't hurt the government to do so. Based on merits, I think we should examine some of these requests a little more severely, a little more seriously, so that the legislators in the municipalities, the city of Calgary in particular, can make a decision based on their best knowledge of the situation there. If it's a wrong decision by them, of course, they'll have to take the heat for it. At the same time I know, having been a member of the council there, sometimes we thought we'd like to do some things we were unable to do because legislation would not permit it. Certainly offering permissive legislation would really give them that opportunity. If someone else did not want to participate in it, of course, they wouldn't have to.

The other area is, and I'm sure the minister is well aware of this, that some of the board orders occasionally concern me — one in particular. I think we need to be sensitive to the needs of some of our citizens who try to use the process we have available to them — request by the municipality for some legislative assistance or some means to assist people who really can't afford to fight government or fight city hall by going to court due to the nature of circumstances and what have you. Senior citizens and unemployed people really can't afford to do those sorts of things. Those kinds of things disturb me. Again, it's a permissive thing. If we could examine some of those types of legislation a little more seriously. I'm sure it would be

appreciated not only by some of our citizens but by many of the councils and municipal governments throughout the province.

All in all, Mr. Chairman, I think the Municipal Affairs department and the minister generally look after our municipalities fairly well. There is good consultation, and I think that they can feel proud of being a partner in the province of Alberta.

MR. PENGELLY: Mr. Chairman, it's my pleasure also to support the estimates for Municipal Affairs. I would like to express my thanks to the minister and his staff for their dedication and the very competent manner in which the department is administered. On behalf of Mayor Doug Fee of Innisfail, who is also the president of the AUMA, I would like to go on record and publicly express what he has expressed to me many times: the co-operation and the pleasure he has had in working with you and your department.

Mr. Chairman, the constituents I represent in the east end of the county of Red Deer, which is also the east end of the constituency of Innisfail, do have a concern. I think it was about a year ago that the county agreed on the suggested divisional boundary changes within the county. This change will combine divisions 1 and 2 and reduce by one the number of councillors. It's this reduction which is of concern to them. They feel that their representation on county council and in school matters will be reduced. We understand that the reason is to more nearly have the councillors represent equal numbers of people. But I suggest to you, Mr. Minister, that this might also be done by increasing the number of councillors in the more populated divisions within the county. I wonder if you would suggest that to them or give approval that they might change that. It would still be a more even number for each councillor, but they wouldn't have the reduction in the more thinly populated part of the county.

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

MR. KOZIAK: Thank you, Mr. Chairman. May I begin by complimenting all members of the committee who have expressed very positive remarks on the level of quality that our municipal governments provide in terms of the services and decisions they make for the benefit of the people of the province of Alberta, their interest in matters of municipal affairs, and their contributions to the discussion on the estimates of the Department of Municipal Affairs.

A number of wide-ranging comments and interests have been expressed by members, and I am pleased that that has taken place. I want to apologize for overlooking the improvement district advisory councils, and I am pleased that the Member for Lac La Biche-McMurray brought that to my attention. I have enjoyed my relationship with the association, although its numbers have dwindled somewhat, and I think we're all working towards that purpose with the ultimate goal of further incorporations. We're all very proud, as the Member for Ponoka pointed out, of the way in which these new local governments have assumed their responsibility and the transition they have gone through. We're looking at further changes in other areas.

What has happened in the Drumheller area, improvement district No. 7, is that with the reduction in area of that improvement district to the valley lands, the results suggest there may be some viability there. We don't know for sure,

but in my meeting with that council during the course of the annual convention that took place earlier this year in Edmonton, I suggested to them that perhaps for awhile they might want to consider budgeting and making fiscal decisions as if they were a municipal district. We could review the process and see what progress could be made in that respect after an appropriate period of time. That's the direction that improvement district is taking.

I am pleased the hon. Member for Lac La Biche-McMurray brought that to our attention. We have an excellent working relationship and some very effective councillors advising me in the operation of improvement districts.

As I say that, advising me in this respect, the hon. member in his own competent way made representations on behalf of another very significant area of the province he represents, the growing city of Fort McMurray. As both of us fully realize, the tax transfer program we have is municipality to municipality as opposed to province to municipality. What we have is an arrangement with improvement district No. 18 whereby the city of Fort McMurray will identify all the workers in ID 18 and all the dependants of those workers. Based on that count a grant per capita is provided by the improvement district to the city of Fort McMurray. That's a fairly substantial figure. I don't want to be held to it if I'm wrong, but I believe it's in the vicinity of a million dollars. So there are some significant dollars transferred in that respect. But I'm always interested in knowing the needs of the important city of Fort McMurray, and we'll be looking forward to the results of any studies that develop there.

There has been a shift, as the member for Spirit River-Fairview pointed out, in the unconditional grants relative to the improvement districts. We've tried to improve the situation of those improvement districts whose assessment base is not as strong as those of others, and that's identifiable in the unconditional grants that have been provided to certain improvement districts — increases in some, decreases in others. But I can assure members of the Assembly that on the whole, the fiscal status of improvement districts, as to both operating and capital reserves, is extremely sound. The moves we've taken reflect the fact that we know the strengths of those improvement districts.

We have to be careful in respect to our goal of fairness that because we have a closer relationship to improvement districts, we don't treat them more fair than incorporated municipal districts, counties, and the urban municipalities. That's a delicate balance, but I think we've made the appropriate moves towards achieving that balance.

The machinery and equipment matter that the Member for Ponoka and the Member for Drumheller are interested in is a process that we went through very successfully, I thought, in terms of the way in which municipalities, particularly those who would be most affected by the decisions, were canvassed and were given an opportunity to comment on suggestions. The basis of those comments form many of the decisions that had to be made in order to ameliorate the situation with machinery and equipment assessment in the province. As members are aware, machinery and equipment is not assessed throughout Canada. In fact, there is a reducing number of jurisdictions that assess machinery and equipment. Of course, our goal has to be that we are as fair as possible and that by our taxation and assessment policies we do not discourage the siting of industry in this province. I think we've fairly successfully attempted to move towards that goal, with the process by which the machinery and equipment is assessed on a reducing

basis from 65 percent to 50 percent in terms of old assessment, year by year, and the provision whereby all new improvements are given an immediate and in place depreciation of 75 percent. At the same time, as hon. members are aware, we put a threshold on the depreciation schedules so they don't fall below 40 percent.

The County Act: I wish I could promise hon. members that we could reach a golden solution that would forever satisfy everybody. I'm optimistic but I'm not naive. There are competing interests when it comes to county forms of government, and I think we have to recognize that those competing interests will have different points of view in different areas of the province depending on the makeup of the county and the county school board. In some areas you'll have — in light of current legislation and current events, with the city of Fort Saskatchewan soon to join the long list of cities in this province, 15 on the July 1 of this year — situations where the school requirements of a city are being provided by a county board of education. In other cases, you may not have that same urban population within a county form of government. So there are going to be differences in circumstances, and those differences will, of course, affect the way people feel relative to the county form of government. But that is under review.

There has been a joint Department of Education/Department of Municipal Affairs production that is out for comments. I won't comment on it because I don't want to identify myself with any of the recommendations, be they good, bad, or indifferent, except to say that these are some thoughts that have been put together on paper, and they are there for reaction and comments by people, hopefully to be in by July 15 this year.

As we in this Legislative Assembly have on occasion — about every eight years comes the necessity to deal with some matters that on occasion are painful, particularly as a result of shifts in population and new developments in this province. By law we are required to review the electoral boundaries of the provincial constituencies and the way in which members of this Assembly represent areas of the province of Alberta. We go through that process on that regular eight-year schedule. Changes are made, and we'll be seeing those changes in this Assembly this spring session. Of course, the same thing would have to face our local governments.

In the course of my review of certain problems that came to my attention early in my responsibilities in this portfolio, I found that sometimes those problems were directly related to the fact that there had not been a review of divisional boundaries, in some cases for decades. So I suggested to my friends in rural Alberta that we should do something about that, much in the way in which the province is required to look at its boundaries. That has been done. We are now following basically the same principles that guide us in determining our own boundaries for electoral purposes. We take a county and municipal district and we ask them to divide their population by the number of councillors and then create divisional boundaries which will use the plus or minus 25 percent guideline, so that no councillor represents less than 25 percent of the average within that county or municipal district in the way of population and no councillor represents more than 25 percent of the average. By using that generous thread, we should be able to accommodate the specific needs of geography and individual circumstances that municipal districts and counties face.

If an increase in councillors is an appropriate solution, there is an opportunity to seek that solution. Municipal

districts and counties are always encouraged to look at that approach. We do discourage an equal number of councillors because of the inherent difficulties that an equal number of councillors provides in terms of decision-making. But on at least one occasion that I can recall, local government has chosen that approach. In any event, we have had good progress, good success, with 31 of the rural municipalities now having had their revised boundaries approved. Six are on hold because of some potential annexation matters that are at various stages of discussion, and the remaining are at various stages of discussion with departmental representatives. So that process is going quite well, and I'm very pleased with the progress we've been able to make.

There were some specific comments with respect to planning and the Planning Fund. Perhaps I should make this comment in respect to the Planning Fund: the 10 regional planning commissions in this province receive their funding from the Planning Fund, and the Planning Fund receives its funding from the province, from the grant that is voted in this vote, and from contributions by municipalities to the Planning Fund due to a mill rate that is imposed on assessment in the province. About one-third of the cost of regional planning is provided by municipalities and about two-thirds of the cost by the provincial government through the contributions to the Planning Fund. I may be a little bit out in my percentages; it may be that the province's contribution is greater, although that's not well understood. The reason I say it's not well understood is that although the contributions may in fact be greater from the municipal level in dollar terms, what isn't understood is that that part of Alberta which does not have the services of a regional planning commission, northeastern Alberta, contributes to the fund but the regional planning services are provided by the department out of departmental budgetary funds. That's why I say that the proportion of two to one, and maybe even a little more than that in favour of the province, exists with respect to the contributions to regional planning.

As I mentioned, there are 10 regional planning commissions in the province. We've had some very important occasions that have taken place in the city of Lethbridge, the city of Grande Prairie, and the village of Berwyn, with the signing of the regional plans for the Oldman River regional planning area, the South Peace, and the Mackenzie regional planning commissions. That process, with eight out of 10 now having been approved and ratified, means that the workload of those planning commissions has been reduced, and the level of funding reflects that. As the Member for Lethbridge West pointed out, there is a reduction in the level of activity in terms of subdivision, but the other fact is that in many of these cases the regional plans are done — they've been put to bed, approved, ratified — and the level of involvement in that area has been reduced substantially.

Because of the new regional plans, there has also been a shift in responsibility for planning from the regional planning commission to the municipality, and that's the way it should be. We've got a maturation process in this province by which more and more of that responsibility can be assumed by the local government, and that's the way we should all support the planning process. The funding provided in the budget reflects that.

The Member for Spirit River-Fairview made statements about education and the matter of tax notices by school boards and the way in which education should be funded. I imagine he will be raising those issues with my colleague the Minister of Education as his estimates are presented to the House.

The matter of the cost of servicing and holding costs of school sites is an interesting one and one that has caused me some concern. I say that because there is a provision in our current legislation, the Planning Act, that requires, on subdivision, a dedication of 10 percent of the lands for school and park purposes. That's been fairly faithfully adhered to, although I should say it's not a mandatory requirement. It's a requirement that says that the subdivision approving authority can require up to that amount. In some jurisdictions that amount is not the required amount. Some jurisdictions require less than 10 percent. Some jurisdictions require varying amounts, depending on the nature of the subdivision. If it's a subdivision for residential purposes, the school needs would be greater, of course, than if the subdivision were for industrial purposes. I think that may be something we should look at, particularly when we see that the number of children produced from households is somewhat less than was the case when my wife and I were busy at that responsibility. The number of children from each household is substantially less than the five children we've sent through the educational system from our house and the eight children my parents sent through the educational system from their house. Perhaps part of the problem here is that we are holding and servicing too much land, more than is necessary for this purpose. If we took a better look at how much is really necessary, the long-term holding costs would not be as great as they are today. That is something we should all consider.

As a result of the efforts of the current and former members of this Legislature for Grande Prairie, we have the business revitalization zone enshrined in our legislation. Other members of this Assembly have given their strong support to that concept. It's a concept of self-help whereby businesspeople, whether downtown or in any commercial section of the community, can get together and say: "Listen. We want to contribute toward the advancement of our particular area of the city." That concept is being more and more considered by business areas within the municipalities in the province and is receiving, I think, some fairly important attention by people and by municipalities.

The Member for Lethbridge West posed specific questions in addition to those I've already answered. He identified a 113.1 percent increase in assessment advisory services. Primarily that's as a result of a grant to municipalities that go through a reassessment. We provide, on a formula basis, a grant to municipalities to do that. That grant previously was found in 5.5.1, and it's been shifted to 5.5.3, so the unusual percentage figures are identified as a result of that shift.

A point was made about the increase in the estimates for the Alberta Planning Board. Over time, Mr. Chairman, my predecessor and I have been moving toward a Planning Board that's composed not of representatives of departments so much as representatives of the people of the province of Alberta. While that Planning Board was populated by representatives of the departments, there would be no honoraria or expenses payable to those staff members because their salaries and expenses would be paid out of the votes of the various departments. As we shift to having more laypeople, so to speak, on the Planning Board, those appointments are accompanied by certain expenditures we must provide, and we have done that. It also reflects some additional meetings that we expect with respect to the financial matters that the Alberta Planning Board will have to face over the course of the next year.

The Member for Lethbridge West speaks to the high level of penalties in this province, and I have had repre-

sentations in that respect. But as I've often said in response to concerns people have laid at my doorstep, the province of Alberta and I are not a court of appeal for the decisions of local governments. When we, through our legislation, delegate responsibility to local governments to make decisions, we must respect that in many cases we'll fully agree with those decisions but in some cases we may not fully agree with those decisions. But because we don't always fully agree with them, that doesn't mean we should necessarily reverse them. Within the provisions of our legislation, there is a maximum level of penalty. It's my understanding that all the penalties that are imposed by municipal governments in terms of their tax notices are within the law. Should members of the Assembly feel that in today's circumstances, that law permits the imposition of a penalty that is higher than today's interest rates might suggest, that's a matter that's always open for discussion, and I would be interested in the results of such a discussion.

As has been identified, there has been a reduction in the support for the Metis settlements in one particular vote. That reduction is as a result of the completion of a number of water and sewer projects that were under way during the past fiscal years and will see completion taking place during the course of this year. That responds to a considerable portion of that reduction.

With those remarks, Mr. Chairman, I hope I've responded to the questions that have been posed and, at the same time, appreciate the contribution that has been made by members during the course of the discussion and study of the estimates of the Department of Municipal Affairs.

Agreed to:

1.0.1 — Minister's Office	\$214,052
1.0.2 — Personnel	\$448,044
1.0.3 — Administrative Support	\$6,329,589
Total Vote 1 — Departmental Support Services	\$6,991,685
2.1 — Unconditional Assistance Grants to Municipalities	\$97,748,790
2.2 — Municipal Debenture Interest Rebate Program	\$122,000,000
2.3 — Transitional Financial Assistance	\$3,684,298
2.4 — Senior Citizen Accommodation Municipal Tax Grant	\$800,000
Total Vote 2 — Financial Support for Municipal Programs	\$224,233,088
3.1 — Program Support	\$641,124
3.2 — Senior Citizen Renters Assistance	\$42,460,000
3.3 — Property Owner Tax Rebate	\$66,019,400
Total Vote 3 — Alberta Property Tax Reduction Plan — Rebates to Individuals	\$109,120,524
4.1 — Grant to Alberta Planning Fund	\$5,932,438
4.2 — Co-ordination and Administration of Community Planning	\$3,654,453
Total Vote 4 — Support to Community Planning Services	\$9,586,891
5.1 — Program Support	\$444,853
5.2 — Administrative Assistance to Organized Municipalities	\$2,218,163
5.3 — Administration of Improvement Districts	\$7,086,649
5.4 — Administration of Special Areas	\$426,830

5.5 — Assessment Services	\$12,198,575
Total Vote 5 — Administrative and Technical Support to Municipalities	\$22,375,070
Total Vote 6 — Regulatory Boards	\$1,861,269
Department Total	\$374,168,527

MR. KOZIAK: Mr. Chairman, I move that the votes for the Department of Municipal Affairs be reported.

[Motion carried]

Department of Labour

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

SOME HON. MEMBERS: Question.

MR. YOUNG: I gather, Mr. Chairman, that brevity should be the order of the evening. Nevertheless, a few comments are in order, especially since I have the floor.

Mr. Chairman, first I'd like to express that in the portion of the department that deals with general safety services, our concern is with public safety. That is really the main thrust of that area, which encompasses boilers, buildings, electrical protection, elevators, fire, plumbing, and gas. That is accomplished by way of the establishment of standards. One of our objectives is, hopefully, not to have standards that are too prescriptive, so that the professionals in those areas are able to exercise their ingenuity and so that new technology and new materials can be adapted readily to meet the standards. We are involved in that manner not only by providing advice directly to people with their plans but also in terms of helping at the national level to develop these standards.

One of the comments I'd like to make this evening is that in recent years, as we've analyzed the work that inspectors do, we've seen that not only are they providing a check on the quality of work that's carried out but in some instances they're also providing expert advice which would otherwise have to be paid for by firms or by individuals. It's rather interesting that as we talk with these people, both of those points become quite important. We have to try to be on our guard not to provide advice which, in the main, should be obtained commercially.

We have a program of quality assurance, which means that we do not inspect all the undertakings in the province. We inspect a portion of the various projects. The purpose and direction of that inspection program is to try to inspect where, through past experience, we can detect that we're more likely to find dereliction in terms of meeting the standards, either because of a particular contractor or a particular practice or source of problems.

We have been reducing staff, as have other government departments, and that has led to some pressure in a few of the regional offices. Some of you have mentioned to me your concerns about the adequacy of the staffing provisions there, and I have to tell you that it's a challenge for us and also something that I want all of you to be aware of and share with us. In a regional office where there may be only one person with a particular expertise, that's a stress point we will have to continue to deal with. We have relied a great deal on the municipalities, as they in fact are the agency by which many of the inspections and

authorizations are carried out, and we encourage the municipalities to perform that function.

I want to say a word this evening to commend the appeal bodies we have in place, particularly the Fire Prevention Council and the Building Standards Council. They are composed of over 50 percent of persons expert in their area, active in construction and in designing and making things. If one disagrees with an inspector's finding, it is possible for an appeal to be placed to one of these bodies at no charge other than the time it takes to draft the letter or submit the material. I encourage any of you who are encountering representations from people expressing dissatisfaction or that the regulations seem to be awkward in terms of their impact to encourage these people to put in an appeal if they have received an order, so that these councils can make a recommendation.

I also want to note that we have a council of handicapped persons, which isn't officially recognized, to provide us with direct advice from their experience in terms of accessibility of buildings and facilities as they have encountered them around the province.

With respect to the work of the Human Rights Commission, I anticipate there will be more phone calls and more letters in the coming year. I do not expect that the number of complaints will increase dramatically, and probably not very much at all, but there is no question that the advent of April 17 and the changes proposed in the legislation are going to cause some confusion, and we will have to work to clear the confusion. There are always people who believe they have been discriminated against and therefore have a valid complaint, and sometimes it takes quite a bit of explaining to clarify the limitations that apply via the Human Rights Commission.

The Labour Relations Board activity in 1985 will probably be somewhat lower than it was in 1984, simply because we've been through a period of great frustration in the construction industry and in some other aspects of the economy because of the downturn. Much of that has now worked its way through the system, and while there will be stresses and strains, I do not believe we need look forward to the kinds of pressures of the past year.

As far as labour relations are concerned, I hope the trend of the last two years, which has been fewer work stoppages, will continue through this year, although I have noted more work stoppages than I would have anticipated. It is possible we may see more pressure on our mediation staff in the coming year than in the past. I'd like to commend those at the collective bargaining table who've made significant adjustments without a work stoppage and have worked through, on a rational basis, their differences and tried to understand the economy. I mention just one of many illustrations, because I don't think it's well known. Safeway's Food for Less stores and the United Food and Commercial Workers have come to a collective agreement that's valid until December 31, 1991. They did that because the union recognized the strong pressure on the retailing industry and was concerned that its members have as good an opportunity to retain their employment as is possible. They believed that by giving the employer an assurance of continuity in terms of the operation, they would achieve that. The two parties have voluntarily opted for final position selection in the case they have to resolve a disagreement. That's a major step as far as a private-sector union is concerned or, for that matter, a private-sector employer, and it's just illustrative of the kinds of adjustments which are being made and the kinds of recognition of changes which we see in Alberta.

Finally, Mr. Chairman, I would mention the activity of the employment standards branch, which receives somewhat in excess of 800 complaints per month to do with employees who, for whatever reason, believe they are not receiving the salaries or the vacation pay or other conditions of employment to which they were entitled. That level has maintained itself now, following a peak which occurred in this past year.

I commend the estimates of the Department of Labour to the members of the Assembly. If there are any questions, I look forward to answering them.

MR. GURNETT: Mr. Chairman, my apologies to the people that like to have an early night and get home, but I do have a few things I would like to comment on. They relate to the approach of the Department of Labour, particularly in relation to labour unions. This is one of the most visible and important areas of the department's activity, and I am troubled by a picture of a long-term pressure on labour unions on the part of the government that I think has had a negative effect. In 1971 the Premier promised that public employees would have the same rights as those in the private sector, but then came Bill 41, the Bill that created a union and took away its rights in the same breath. I wonder if that's a fulfillment of a promise. The labour union feared at the time that Bill 41 would be the first of a series that would be presented over the years which would systematically remove the rights to bargain collectively and to benefit from fairly negotiated contracts. One such measure was brought in with Bill 41, and that was the constrictive arbitration process. Another such measure was the setting out of a lot of key areas as non-arbitrable which, in effect, rendered them non-negotiable. But Bill 41 was just the beginning. This government's determination to weaken labour unions was to be further demonstrated by a number of other Bills. Some of the numbers are now famous in history — 52, 79, 80, 11, 44, Bill 110. Someone can add all that up.

Let us take a look at what just some of these Bills set out to do. Bill 79 placed many private-sector unions under the same restrictions that were imposed upon the public sector, by imposing numerous restrictions on the definitions of employees, bargaining units, et cetera. It opened the door for the government to intervene in any dispute by the establishment of the Disputes Inquiry Board.

Then came Bill 11. This one was used to retaliate against the nurses who had gone on strike in 1980 and 1982. The government's solution to a problem of Alberta nurses being underpaid, compared to counterparts across the country was not to negotiate. It was to force them back to work with no guarantees of changes and make the union and the union's officials responsible for enforcing the back-to-work order. How can the one agency that has the chance, time and again, to change the rules midstream, accuse anyone else of being unreasonable? I wonder. But that's exactly what it seems to me that the government has tended to do in relation to these things.

The bigger surprise was the unmandated Bill 44. Little wonder that this government waited until after the 1982 election to bring that in. There were a number of other things that arrived prior to the 1982 election that certainly acted as an encouragement for people to think favourably about voting for the continuation of the government that was in power. Certainly, if Bill 44 had been there before that election, things may have been different.

Again, Bill 44 was a kind of retaliation, I think. Arbitration boards had gone too far in agreeing with workers and accepting that their cases, in many cases, were very reasonable, and it was time to control them a little bit. I probably don't need to remind you that Bill 44 took away the right to strike from all hospital employees including cooks, gardeners, and caretaking staff. To make sure that none of them would win anything at the negotiation or the arbitration table, arbitration boards were told they must consider several items in their deliberations. One of those was the wages and benefits in private and public and unionized and non-unionized employment. In other words, the arbitration boards had to compare the wages of those who were in collective bargaining units with those who were not in collective bargaining units.

I wonder what that does to the free enterprise spirit that all of us value. I wonder why it's all right to have competition and to encourage and talk positively about competition in the business world but not in the world of collective bargaining. In the real world those who are in collective bargaining units have worked at developing their democratic vehicles for negotiating agreements with employers. Why do we have to penalize those who have established collective bargaining units? Instead, it seems to me that the Department of Labour should be promoting the development of collective bargaining units so that fewer and fewer people would be stuck earning the minimum wage year by year. We don't have to feel and know what that means, but many people have to put up with it. In fact, if there was this encouragement for the development of healthy collective bargaining units, the economic improvements that resulted would be putting money into people's pockets and, I believe, stimulating the economy in this province by way of increased consumer demand.

That wasn't the worst, though, of Bill 44. The arbitration boards would now have to also consider employment levels and the incidence of layoffs; in other words, use the level of unemployment caused by the, in some cases, short-sightedness of this government against those who still had jobs — pitting one side against the other, dividing and conquering. I don't think those are directions that encourage the working people of the province to put a lot of confidence in the support on the government's part.

That wasn't the worst of it. Just in case pitting the employed against the unemployed and vice versa wasn't bad enough, this government added another element: that arbitration boards consider the fiscal policies of the government, as those policies were stated from time to time, in their decisions when they were involved in arbitration. I suggest that this is more than government cabinet ministers sometimes do in regards to hospitality spending, as we talked about a little earlier today. I hope it's not evidence that there's a double standard: do as we say with regards to restraint, but not as we practice. The official policy is freeze or cut back. The arbitration boards are told to consider that statement of official policy. Of course, that kind of accountability doesn't necessarily apply if it comes to wining and dining the Ottawa community to introduce a new person. I wonder if, instead, the arbitration boards would have the chance to be allowed to consider some of the charter flights of this government, for example, as an indication of government fiscal policy, and they could base arbitration rewards on those kinds of things instead. But I suspect that's not likely.

Anyway, when it appeared that Bill 44 might be in contravention of the Canadian Constitution, the Attorney General stated at that time that if Bill 44 were unconsti-

tutional, he could use the opting-out clause so that such a case could not be made. I'd like to read what an Ontario divisional court judge said in connection with a very similar case — which, by the way, was won by the labour union. In fact, let me quote from two of the justices involved; first, from what Justice O'Leary said in a decision that was handed down in October 1983. He said in his decision:

To take away an employee's ability to strike so seriously detracts from the benefits of the rights to organize and bargain collectively as to make those rights virtually meaningless. If the right to organize and bargain collectively is to have significant value, then the right to strike must also be a right included in the expression "freedom of association", and I conclude that it is.

The fact that it is almost universally accepted, and in particular that it is accepted by the ILO, that those working in essential services may be denied the right to strike if such denial is accompanied by adequate alternative safeguards for workers' rights, such as impartial and speedy conciliation and arbitration procedures, is no indication that the right to strike is less than essential to the right to organize and bargain collectively. Rather, it confirms the right to strike is so essential to the interest of workers that if it is removed, then the state must replace it with a state given right that will adequately protect those interests.

That's not to say that we think strikes are a desirable thing by any means, but I think the statement of Justice O'Leary indicates the importance of that right being protected and everything possible being done to guarantee it.

Let me also read what ...

MR. KING: Mr. Chairman, could I ask if the hon. member would just occasionally relate his remarks to the budget of the Department of Labour? Otherwise, I think he is perhaps out of order. The budget of this fiscal year.

MR. GURNETT: Mr. Chairman, the comments relate to an overall process. The budget of this fiscal year involves money which is being used in connection with legislation and attention to the activity of labour unions in the province. I think the historical review of the record is a useful supplement to understanding and, I hope, to the minister's comments on directions in connection with legislation and expenditures for labour in the province in the year ahead as well.

The second of the three justices in this particular decision, Mr. Chairman, is a little briefer. Let me read what he said in connection with the same issue:

The purpose of an association of workers is clear. It is to advance their common interests. If they are not free to take such lawful steps that they see as reasonable to advance those interests, including bargaining and striking, then as a practical matter their association is a barren and useless thing. I cannot imagine that the Charter was ever intended to guarantee the freedom of association without also guaranteeing the freedom to do that for which the association is intended. I have no hesitation in concluding that in guaranteeing workers' freedom of association, the Charter also guarantees at the very least their freedom to organize, to choose their own union, to bargain and to strike.

To the wisdom of these judges, in a unanimous decision, this government replied: "Too bad for the workers. We'll

have to change the rules again." I'm concerned about a government which would be willing to opt out of the Charter of Rights and Freedoms in pursuit of that kind of weakening of labour unions. What is left of a union if there's no right to strike or the right to fair, unconditional arbitration?

Let me move on briefly to Bill 110. The whole idea behind this Bill, as we remember, was to make it almost impossible for building trade unions to prevent their employers from spinning off into non-union contracting companies so that the employers could ignore the collective agreements they had negotiated with the tradespeople, again pitting the employed against the unemployed. When employers discovered other loopholes in existing legislation that would let them do the same thing as Bill 110, Bill 110 was taken off the burner, repealed. But if we're serious about restoring the agreements that both the unions and the construction industry negotiated originally, in good faith, we could also take our own private member's Bill 217 and make it a government Bill and provide some real support in this coming year.

While insisting that tradespeople take jobs at whatever rate of pay they can get, Mr. Chairman, the department fails to take the same message to its own estimates. In vote 1, for example, there's a 6.4 percent increase, which is higher than the rate of inflation. Most workers aren't getting even a cost of living allowance increase in settlements this year, yet we see a 6.4 percent increase there. Meanwhile, the minimum wage, after several years without an increase, stays at \$3.85 an hour.

Still, I see this government pressing on with efforts to limit the ability of ordinary Albertans to bargain collectively. Now we have a Bill before us that would prevent anybody employed by government-sponsored temporary and student employment programs from being included in a collective bargaining unit or from taking advantages of wages or conditions that have been negotiated by such units. It seems to me that policies of the department are preventing co-operation between workers and unions, rather than doing things that would encourage further co-operation between labour unions, workers, employers. Approximately 28 percent of working Albertans belong to unions, and I think they deserve legislation and efforts on the part of the Department of Labour that are better than the kinds of things they've received.

In closing, I want to comment specifically on the money which is being voted for the Human Rights Commission, a little more than \$1.2 million. I'm concerned about a commission that has the potential to do some very good things in the province. Yet while the money is being spent, the result of a lot of their work seems to be being ignored. For example, Bill 33, which we'll be considering this spring, ignores any attention to the age definition, the issue of those between 18 and 65, as the Human Rights Commission recommended in their own work last summer, and also the whole issue of marital status as a basis for discrimination. These were recommendations that the people employed by the Human Rights Commission in their work chose to draw to the government's attention as areas that should have attention. Then we see nothing done about them. Again, I'm concerned that the funding, which has a marginal increase, is maybe not being used profitably. I'm concerned about any case where we see money being spent that doesn't have real benefits just as much as money not being spent that would have real benefits.

Thank you, Mr. Chairman.

MRS. CRIPPS: Mr. Chairman, I want to say a few words to reflect how much I as a member of the Assembly

appreciate the work the minister has done and the fair and equitable way he treats his portfolio. I know he's under constant pressure from the public, the employers, and the employees, who all feel that their position is right. He handles each situation with the same calm, attentive, and sympathetic attention, yet remains impartial and works towards having the parties resolve their disputes. I certainly commend the minister for this. I believe he does an excellent job in the portfolio.

I want to make one point about the comments of the Member for Spirit River-Fairview. I'd like to pick out Bill 110, which he just talked about. As far as I'm concerned, I believe the principles involved in Bill 110 would have gone a long way to improve the ability of the employer and the employee to meet and discuss their common needs and make joint decisions which were in the best interests of their relationship and of both parties.

I want to compliment the minister on his handling of the portfolio in very difficult situations and say how much I've appreciated the assistance he's given to my constituents when they needed it and to all groups, both employers and employees in Alberta.

MR. PAPROSKI: Mr. Chairman, I have two quick questions of the Minister of Labour. First of all, one question deals with reference number 1.0.6 dealing with a communications allowance. From looking at the estimates, I understand that there's an increase of 76.7 percent in comparison to the 1984-85 estimates. I would like to ask the minister what accounts for this large increase in the communications budget.

My second question deals with vote 5, the individual's rights protection section. I wonder if the minister is anticipating an increased workload this year specifically for the Human Rights Commission because of the recently proclaimed Charter of Rights. If so, has he accounted for additional staff? I notice a 3.2 percent change in comparison to last year. Is that the reason for that change?

MR. GOGO: Mr. Chairman, I'm well aware of the hour. I want to make some comments relative to what's been said in committee. We've heard at great length the policy of the New Democratic Party from other parts of Canada. The terminology is the same. I'm not an ordinary person anymore. I used to be an ordinary person. Now a political party has adopted that for some reason and claims exclusive jurisdiction. That disturbs me.

References made by the Member for Spirit River-Fairview — and I respect him; I respect his philosophical point of view. Yet I continue to hear the same type of terminology. In effect he's telling me that the constituents of Spirit River-Fairview are different from Lethbridge West. That's what he's telling me and the committee, that when you have an exclusive jurisdiction in this province over hospitals, and there's no option if you're ill, for some reason it's perfectly legitimate on behalf of nurses to go on strike. That's what he's saying. And he's saying by inference that in Spirit River-Fairview, the citizens support that. I disagree. Albertans disagree. Bill 44 was brought out specifically to differentiate between Safeway and hospitals, and yet the member insists, as did his predecessor and as does his leader, that they're the same, that groceries are the same as medical care. He doesn't seem to appreciate that Safeway goes through a process. If they want to raise wages, they have to say to themselves: will the people coming through the doors pay, in the price of groceries, for the increased

wages? He equates that with people who, through no option, have to go to a hospital and receive medical treatment from hospital workers. In my opinion, he's totally out of tune with the citizens of this province, as is his party.

He gives no credit to the government on Bill 110. If that's not a government that listens, then why did the government, with its huge majority, repeal Bill 110? Why do they continue to harp on the fact that the government listens and the government responds in a critical way? I don't understand. Surely there are better winners for that party in terms of votes to raise issues. Yet they continue, it seems to me, to read old *Hansards* and old Order Papers and business that has long since past from this Assembly.

I want to make two other comments, Mr. Chairman. Why don't the critics of the government go back to 1971, before the present administration? How were wages for the civil servants settled then? One person, called the Treasurer, determined what it was. There was no consultation; it was by decree. Look where we've come today. In Canada we have amongst the highest paid civil servants in the land, and that's still not good enough. People still feel that when you have the only action in town, you should be able to lock the door and prevent Albertans from getting services. That's the official policy I'm hearing from the Member for Spirit River-Fairview. I don't think the people accept that. I believe we're in a democracy; we have elections by statute. Surely the citizens of Alberta spoke on November 2, 1982, and they said: "This is the type of government we want. The government is accountable, and the government will face the public sometime in the future. Surely that's when this decision will be made."

A final comment, to the Minister of Labour. I am very impressed with what I've read and what I've seen and learned from meeting with the Christian Labour Association of Canada. I think, quite personally, that they have the right attitude with regard to collective bargaining. They recognize fully that unless everybody pulls together in a society and in a community, no progress will be made. I don't take any exception to the union. We have some of the strongest unions in the country in this province, beginning with the lawyers, followed by the doctors, followed by others. Quite frankly, they don't do badly.

With that, Mr. Chairman, I think the Minister of Labour has done a commendable job in a very difficult situation, when we've been through one of the most severe economic downturns in our history. I want to commend him for having a positive attitude, for keeping what's left of his hair, and I just know that this coming year is going to be successful.

MR. DEPUTY CHAIRMAN: Before the minister concludes, for the hockey fans the final score is 4-2 for the Oilers.

MR. YOUNG: Mr. Chairman, I have a choice to make in response to the hon. Member for Spirit River-Fairview. One is to rehash all the old debate we have had on other Bills in this Legislature, or it is to look at the basic position of the hon. member. First of all, Mr. Chairman, the hon. member starts off and talks about workers. We're back in the class structure system. I first read about it from Marx. He may have read about it some other place, but that's where it originates. We're either workers or, I guess, we're drones. Mr. Chairman, I do not believe there is anyone in our society who does not make a contribution. Hopefully that contribution is made not only for the benefit of the individual but also for the benefit of the individual's neighbours. Some people do so in a paid capacity, some in a

voluntary capacity, some in a capacity whereby they are taking instruction and direction from others, and some trying to anticipate the best way to organize activities and give instruction. But we all work, and in that manner we make a contribution. So to begin with, Mr. Chairman. I part company with the hon. member in his concept of some kind of class struggle, which he seems to be living with yet.

The second point is this. He talks about being in power. Well, Mr. Chairman, I see government as a responsibility. It's a responsibility that doesn't rest just with the elected members of this government but with the elected people in whatever position they have in society, whether in associations of management or in unions. They both have a responsibility to the betterment of society. It seems to me we should talk in terms of responsibility rather than power, as though power is something that entitles us to engineer the social makeup of our society.

Mr. Chairman, the hon. member went on to talk about pitting and dividing as though that's what we're trying to do in the Department of Labour. I'll remind the hon. member of all the efforts that have been made over a number of years, particularly this last year, with the construction industry alone. We've tried to bring that industry together through very difficult times, when people did not have an appreciation of the depth of the difficulties facing that industry. We should reflect for a moment that in 1982 that particular industry was large enough to carry all the real construction needs of this province in a period of boom. On top of that, they carried the construction needs brought on by anticipations by the private sector that were not well founded. So not only were we meeting a real demand but we were also meeting anticipations and unreal expectations of building more than was necessary. On top of that, we were doing it with a mentality which did not lead to the greatest productivity. So we had a very large construction industry, and that industry had to downsize. There are no two ways about it. It's hurtful to the industry; it's hurtful to the people in it, whether they're on the management side, the ownership side, or whether they're tradesmen. But it is a fact. It is equally a fact that in this last year we have produced more construction per capita in this province by a considerable margin than any other province.

Mr. Chairman, during that time we in the Department of Labour have worked to try to bring that industry, those unions and management, together. It has been very challenging. It has been so challenging that it is one of the reasons the hon. Member for Edmonton Kingsway asked me the reason why there is a significant increase in vote 1.0.6. The reason is that we have had so much correspondence to deal with that we've had to increase staff in that area. We are transferring staff from two other locations in the department to the communications area to work on the correspondence and the preparation of materials for officers of the department in their communications exercises. We now have in place an advisory council on the construction industry, which is working. That construction advisory council is made up of union representatives, owner representatives, and contractor representatives. They are working harmoniously together. They are putting considerable demands for research work and information, and I believe we are on a good basis for some stability and some togetherness in the industry. But it isn't going to come freely and it isn't going to come easily.

Mr. Chairman, I must mention the freedom of association the hon. member talks about. I think he's found the only

two judges who have been able to come to the conclusion he cites here. He has read it into the record, which is pretty good, considering that all leading case law now indicates that there should be — and the judicial record is now full of this kind of decision — a sharp delineation between freedom of association and right to strike. The courts have made that distinction. The distinction is that people may be free to associate and should be free to associate, but what they do when they associate is quite a different matter and is not protected and should not be protected by the freedom of association rubric of which he speaks.

Mr. Chairman, I wonder what the farmers in Spirit River-Fairview would think if they heard some of the rhetoric here this evening, the farmers who must compete on the international market. They sell at market prices determined internationally; they buy at prices determined locally to a large extent and determined by artificial barriers to some degree. They are in a very different position from the groups the hon. member speaks about who would try to organize and extract whatever they could get by way of a settlement. I want to make it clear that there needs to be a balance and some consideration for all of society and particularly for one's neighbour, and that is so whether one is in management or in union. I just wonder what those farmers think about the fact that there can be strikes, in the public services particularly, which could deprive them of services — maybe health services, maybe urgently needed health services — or there could be lockouts to the same effect, or could have been. Is that what the hon. member really wants for society? Does he want a society in which the strongest and the most powerfully organized are able to extract from all the others regardless of their particular position? I really don't think that's what the farmers and the other 70 percent of the unorganized people in Spirit River-Fairview want.

Mr. Chairman, I would go further and suggest to him that he ought to reflect on what the Christian Labour Association asked for at their meeting last Saturday in Edmonton, because I'm sure there are representatives of that association in Spirit River-Fairview. If not, there are quite a few in other parts of the province. They take a very different, a totally opposite view, to the hon. member's conclusion about arbitration. They favour arbitration. They oppose work stoppages of any kind. Now, I'm not so sure I would go so far as suggesting that there not be a capacity to strike by some groups, but I'm suggesting that there shouldn't be a capacity to strike to deprive people of urgently needed services.

Mr. Chairman, I want to say that I appreciate the remarks and the support of my government colleagues. I realize now that I haven't responded to the hon. Member for Edmonton Kingsway on vote 5, which deals with the Alberta Human Rights Commission. It's difficult to predict, but we expect there will be more phone calls and more letters, but we do not expect there should be that many more complaints that we will need an increase in staff. While I'm speaking to the point, I can indicate that four years ago each complaint required, on average, over 450 days to resolve. At this point in time, we're down to 120 days, or thereabouts, to resolve a complaint. So with that kind of improvement in efficiency and effectiveness, I think we'll be able to see our way through the Human Rights Commission initiatives with the staff that is provided for in the expenditures that are estimated here.

Mr. Chairman, the hon. Member for Spirit River-Fairview and I are obviously going to have the opportunity to debate

some of the legislation that is now before the House. I don't think this is the occasion in estimates, to do it, so I'll delay any comment on that aspect of his comments until such time as it's more appropriate for the Legislature.

Agreed to:

1.01 — Minister's Office	\$169,496
1.02 — Executive Management	\$339,115
1.03 — Personnel	\$307,985
1.04 — Finance and Administration	\$611,471
1.05 — Systems	\$842,037
1.06 — Communications	\$113,989
1.07 — Research	\$677,868
1.08 — Library Services	\$272,900

Total Vote 1 — Departmental Support

Services \$3,334,861

Total Vote 2 — Labour Relations \$5,220,215

Total Vote 3 — General Safety Services \$15,675,277

Total Vote 4 — Industrial Relations

Adjudication and Regulation \$1,143,028

Total Vote 5 — Individual's Rights

Protection \$1,234,159

Department Total \$26,607,540

MR. YOUNG: I move that the vote be reported.

[Motion carried]

MR. KING: Mr. Chairman, I move that the Committee of Supply rise, report progress, and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1986, sums not exceeding the following for the departments and purposes indicated:

Municipal Affairs: \$6,991,685 for departmental support services, \$224,233,088 for financial support for municipal programs, \$109,120,524 for Alberta property tax reduction plan — rebates to individuals, \$9,586,891 for support to community planning services, [\$22,375,070] for administrative and technical support to municipalities, \$1,861,269 for regulatory boards.

Department of Labour: \$3,334,861 for departmental support services, \$5,220,215 for labour relations, \$15,675,277 for general safety services, \$1,143,028 for industrial relations adjudication and regulation, \$1,234,159 for individual's rights protection.

MR. SPEAKER: Having heard the report and the request for leave to sit again, does the Assembly agree?

HON. MEMBERS: Agreed.

MR. KING: Mr. Speaker, the House will be in Committee of Supply tomorrow, at which time we will consider the

estimates of the Department of Advanced Education. In the event that we finish the estimates of that department, we will go to the estimates of the Department of Transportation.

[At 10:33 p.m., on motion, the House adjourned to Friday at 10 a.m.]

