

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Tuesday, June 2, 1987 2:30 p.m.**

Date: 87/06/02

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

head: **INTRODUCTION OF VISITORS**

MRS. BETKOWSKI: It is my pleasure, on behalf of the Deputy Premier, to introduce His Excellency Per Fergo, the ambassador of Denmark, who is seated in your gallery, Mr. Speaker. He is accompanied by the honorary consul of Denmark in Edmonton, Mr. Donn Larsen. I would ask all members to greet these visitors with our special welcome.

head: **INTRODUCTION OF BILLS****Bill Pr. 23****Federal Canadian Trust & Bond Corporation Act**

MR. ALGER: Mr. Speaker, I request leave to introduce Bill Pr. 23, Federal Canadian Trust & Bond Corporation Act.

The purpose of this Bill is to incorporate a trust company.

[Leave granted; Bill Pr. 23 read a first time]

head: **INTRODUCTION OF SPECIAL GUESTS**

MRS. BETKOWSKI: Mr. Speaker, on behalf of the Minister of Federal and Intergovernmental Affairs, it is an honour for me to introduce four members of the Rotary International in Great Britain and Ireland. They have come to Canada on a group study exchange visit. The team leader is Mr. Howard Briggs, and the team members are Mr. Mark Barnes, Mr. Greg Davies, and Mr. David Holbom. They are seated in the Speaker's gallery, and I would ask them to rise so that members may give them a traditional welcome to this Assembly.

Mr. Speaker, today is my day for introductions. On behalf of the Premier, who is unable to be here to introduce a group of students from the Edmonton Whitemud constituency, I am pleased to introduce a group of 44 students from the grade 6 class of the Sweet Grass school. They are accompanied by their teachers, Miss Marie Aime McLean, Mrs. Pat Smidi, Mrs. Vera Forman, and Mr. Dave Ramsankar. I would ask them to rise and receive the traditional welcome of this Assembly.

MR. ROSTAD: Mr. Speaker, it's my pleasure to introduce 53 of the brightest grade 6 students in Camrose, from the Chester

Ronning school. They are accompanied by two teachers, Mr. Alan Thronson and Mrs. Janette Rotto. They are seated in the public gallery, and I would ask the Assembly to give them the warm welcome once they stand.

head: **ORAL QUESTION PERIOD****Alberta's Place in Confederation**

MS BARRETT: Mr. Speaker, I think Albertans were a little shocked this morning to learn that the Premier has made threats "to pull out of the bloody country" if he doesn't get his way on the Meech Lake accord. It's extremely odd that the Premier would decide to play his separatist card at this particular time in those negotiations. I wonder if the Acting Premier would assure this Assembly and all Albertans that this government will quickly drop this idle and irresponsible threat.

MR. SHABEN: Mr. Speaker, it's inappropriate, I think, to respond to news stories. That's something that is rarely done in the House. I think the hon. member might put her question to the Premier when he returns to the House tomorrow.

AN HON. MEMBER: Maybe he won't get a passport.

MR. SPEAKER: Order please, hon. member. There's also a problem under parliamentary use of the word "irresponsible." Supplementary.

MS BARRETT: Thank you, Mr. Speaker. To the Acting Premier. Thanks for the lesson in protocol, but that doesn't answer the concerns of Albertans who did wake up to this issue on every radio station in the country. Albertans would like to know what type of consideration goes into this type of policy pronouncement from the Premier. Will the Acting Premier explain what type of consideration has led to this statement?

MR. SHABEN: Mr. Speaker, the acting leader of the New Democratic Party I'm sure can restrain her interest in this subject until the Premier returns.

MS BARRETT: Mr. Speaker, the last time I looked, question period was for consideration of urgent matters. If talking about pulling one province out of the country isn't an urgent matter, I don't know what is. He will get the question. [interjection] I beg your pardon?

MR. JOHNSTON: What if there's an agreement tonight?

MS BARRETT: Well, that would be very interesting. [interjection]

MR. SPEAKER: Perhaps we could get on with the question period.

MS BARRETT: That's right. Well, I do like to respond when the hon. Treasurer feels that it's important to ask me a question.

Mr. Speaker, will the Acting Premier confirm then that this sort of statement is not a government policy; it has never been discussed as plan B or scenario C? It is not a government policy: confirm that.

MR. SHABEN: Mr. Speaker, I've already responded twice to

two earlier similar questions, and I would suspect that the members are all prepared to wait until the Premier returns tomorrow to hear directly from him.

MS BARRETT: A final supplementary question, Mr. Speaker, perhaps this time to the Deputy Premier. I think in the wake of these unfortunate comments, whether or not they represent a government policy, it's an important issue. What steps will the Acting Premier now take to redress the concerns that have become important in the minds of Albertans and Canadians? What steps will he take?

MR. RUSSELL: Mr. Speaker, just what unfortunate statements is the hon. member referring to? Nothing she read in the paper, I hope.

MR. SPEAKER: Order please. The Chair requests the Member for Edmonton Highlands to withdraw the earlier comment, which was "irresponsible."

MS BARRETT: I'll do so now.

MR. TAYLOR: A supplementary, Mr. Speaker, to the Deputy Premier. I'm sure he was appointed Deputy Premier because he was simpatico or at least familiar with the Premier's thinking. Would he care to categorically deny any possibility that the Premier would even think of pulling Alberta out of Confederation?

MR. RUSSELL: Mr. Speaker, there's been no stronger builder of Canada in any of the provinces than the present Premier of Alberta, and that goes for his predecessor as well. I'd suggest if the hon. members of the opposition are going to participate in the question period, they should perhaps take the time to obtain the transcript of the interview with the Premier rather than relying on what may be called unreliable reporting. I can categorically deny that the Premier is thinking of taking Alberta out of Confederation.

MR. SPEAKER: Second main question, Edmonton Highlands.

MS BARRETT: Mr. Speaker, I'd like to designate the second question to the Member for Edmonton Calder.

Day Care Standards

MS MJOLSNESS: Thank you, Mr. Speaker. To the Minister of Social Services. The minister has apparently stated that although we've got lots of rules in place for day care, people are constantly breaking them. She has also stated that parent diligence is the only guarantee of adequate day care standards for our children. Will the minister confirm that she believes her department to be incapable of enforcing day care standards? And if she believes this not to be the case, can she advise what other possible meaning ought to be placed on her remarks?

MR. SPEAKER: Perhaps the minister would like to answer the first question of the two.

MRS. OSTERMAN: Mr. Speaker, we do have adequate standards in place, and I am encouraging parents to also be vigilant in addressing the respective day care centres in terms of those standards being in place.

MS MJOLSNESS: Well, Mr. Speaker, if the police used that system, we'd really be in trouble. A supplementary to the minister. What role does the minister see for the day care licensing branch if in fact a licence is meaningless in terms of ensuring safe and healthy care?

MRS. OSTERMAN: Mr. Speaker, the member prefaced her first question by speaking to some degree to words that I have said about laws that are being broken. I think this Legislature sits for many hours on end evolving statutes, as does the federal House, and yet there we are with not only police forces in place but also various departments with enforcement officers in place to try and see that the rules are kept. If the rules were always going to be kept, we wouldn't need the enforcement bodies. We do not have the resources to have one person watching every other person in our society, and we believe that we have a balance in terms of enforcement procedures.

Day care licensing officers aren't in place every single day in every single centre; parents are. What I have said is that parents have a very good opportunity, where they believe that infractions have been in place in a centre, that they report those infractions. Certainly the very best use of our resources is then to follow up on those reports as well as reports from other people.

MS MJOLSNESS: A supplementary to the minister. It seems to me, Mr. Speaker, that when you set standards, you accept responsibility. As the minister is now shifting responsibility for quality care from her department onto parents, is she prepared to supplement wages for parents so they can take time off work to receive training in fire and health regulations and departmental standards so they spend some time so that they can properly monitor their day cares?

MRS. OSTERMAN: Mr. Speaker, first of all, we have licensing officers that do visit the day care centres. We also have a Social Care Facilities Review Committee that visits day care centres. We have health units who have officers visiting day care centres. We have fire inspectors visiting day care centres. All of those people report infractions not only in terms of their own authorities but to us. I would say: if the hon. member believes that parents should put blinders on when they take their children every day to a child care centre, then I believe that she's very sadly mistaken.

MS MJOLSNESS: Final supplementary to the minister. Mr. Speaker, parents want assurance that their children are receiving proper care. Given that the minister has indicated that the department's enforcement capability is extremely limited or non-existent, what possible assurance can the minister give to parents that their children are receiving proper care, that the same paper towel is not being used to wipe the babies' bottoms and then their hands and their faces?

MRS. OSTERMAN: Mr. Speaker, first of all, I believe that what I've indicated is that with regard to all government functions -- police functions, licensing functions, and so on through our society -- there are not unlimited resources. But I have certainly not indicated that we are unable to enforce. I would categorically say that this is a concern that all people have, and I think the hon. member somehow is putting in context her belief that parents are not interested in looking at the conditions in a day care centre and that in fact they don't have the capacity to respond on a regular basis if they see infractions.

Mr. Speaker, those very same parents are taxpayers. They are not looking for an army of people to be out every day in child care centres. They are working closely with the department in areas where they believe it is important to report such infractions.

MRS. HEWES: Mr. Speaker, the licence on the wall indicates certain perceptions that the public has as a result of that. Will the minister now inform the public that licensing and monitoring in day cares in no way relates to training or qualification of the staff, that they're on their own in this regard?

MRS. OSTERMAN: Mr. Speaker, if the hon. member is saying that parents should be alert to the fact that it is very important for them to meet with the individual care giver to see who it is that is interfacing and working with their children on a regular basis, then yes, I would say that's very important.

MR. SPEAKER: Main question.

MR. TAYLOR: Mr. Speaker, I would like to designate my main question to the Member for Calgary Buffalo.

Education Funding

MR. CHUMIR: Thank you, Mr. Speaker. This is a question to the Minister of Education. Earlier this session our caucus attempted to point out to the government that cutbacks in education would be felt most by those requiring special education, and this is what is happening in both Calgary and Edmonton. In Calgary special classes for high school students will have 16 in a class next year, which is a bad joke.

To the minister: in light of the recent debate between Edmonton public and separate school boards, which demonstrates how special needs students are taking a beating as a result of provincial cuts, is the minister satisfied with the solution that Edmonton public has been forced to find, namely to charge Catholic handicapped students a fee?

MRS. BETKOWSKI: Well, Mr. Speaker, I would preface my remarks by saying that despite attempts by the Member for Calgary Buffalo, there has not been a reduction in special education support this year despite a difficult fiscal situation. In fact, there has been a 1.7 percent increase, as noted in the estimates which were tabled on March 20.

With respect to the specific issue involving the Edmonton public and separate school boards, there was an administrative difficulty between the two boards in terms of determining how many students each board was accommodating from another. The solution which has been arrived at is appropriate for both boards, and I am comforted by the fact that the only way that a parent would be required to pay an extra fee for his disabled child would be if that parent has removed his child voluntarily from the school board which he supports.

MR. CHUMIR: Thank you, Mr. Speaker. The problem is that the funding is both inadequate and unfair. Will the minister quickly address in her School Act -- if it's ever coming or otherwise -- the funding discrepancies which leave school boards handling high numbers of special needs students with an unfair burden, as is the case in Edmonton public?

MRS. BETKOWSKI: Mr. Speaker, the funding system is nei-

ther inadequate nor unfair, as I pointed out in my first answer. With respect to the manner in which some boards will attract more students who have special needs than other boards -- and it's referred to as the magnet effect amongst school boards -- we have provided for that in maintaining the special education funding at the same level over last year. In fact, we have provided for what is a unique situation in Edmonton and other municipalities who have, because of the number of kids coming into their system, built very special programs that attract more students into it, and that is recognized by the change in funding which has been implemented for this year.

MR. CHUMIR: The funding remains exactly the same as it was, and that issue has not been addressed. In the meantime we find services to learning disabled children being eroded. Why doesn't the government do something to provide a financial incentive to hard-pressed school boards to maintain their programs to special education students by tying grants from lottery funds to the maintenance of quality?

MRS. BETKOWSKI: Mr. Speaker, if education were underfunded in this province, the hon. Member for Calgary Buffalo would have a legitimate question. But it isn't and he doesn't.

With respect to the funding of services within our school systems, I am very pleased at the change to block funding which was implemented in 1984 with respect to the Department of Education on the needs of special education. The reason I'm pleased is that now, instead of the case in the past, every student, whether special need or not, has a home within this province. It is not possible for a school board to relinquish its responsibility for providing that student with an education.

As well we've seen a development of programs across this province which no longer requires a student with special needs to be removed from his home community. School boards across this province have responded in a very, very positive way. As a result, the program has vastly improved over where it was three years ago.

MR. CHUMIR: Final supplementary to the Deputy Premier. We don't need to read the newspapers to know that this is not an isolated problem and that handicapped students need all the representation they can get. I'm wondering whether the Deputy Premier can advise the student on the progress being made in establishing the long-ago announced Premier's council for the disabled and when we might see that council actually in action.

MR. RUSSELL: Very shortly, Mr. Speaker.

MS LAING: Mr. Speaker, to the Minister of Education. What aid does she propose for parents and school boards where average children of parents attend one school system and the special needs children of those same parents have to attend another school system because services are not available in their first school system?

MRS. BETKOWSKI: Mr. Speaker, if a program does not exist within the home school board of which the parent is a supporter, then that board is responsible for providing for the cost of funding a program in another board.

MR. STEVENS: Mr. Speaker, to the Minister of Education. The pupil/teacher ratio is a measurement of education favoured by some individuals. What other methods are used by the min-

ister to assess the quality of education and the standards of education provided by school boards throughout this province?

MRS. BETKOWSKI: Mr. Speaker, that's a very important question, and I guess all of us could make our own assumptions as to what we deem to be the most important factors within quality. Certainly the size of a class and the pupil/teacher ratio is one indicator; it is not the only one. I would have to say that the achievement of students has to be a major indicator. I have to assume that how students do on exams, how the school system is providing programs such as special education programs is another. The whole monitoring of what is built into our system, particularly during a time when we have been forced to reduce that support as of September 1, is part of what I will be following up on as school boards implement their reduction plans.

Regulation of Securities

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs, and this has to do with regulations of banks and stock exchanges. Recently the federal government has signed an agreement with Ontario as to some new regulations, but they do not have exclusive jurisdiction in that area. Can the minister indicate what consultation took place between the federal government and the provinces before this unilateral decision was made with Ontario?

MISS McCOY: Mr. Speaker, on March 23 this year there was an interprovincial and federal meeting in Ottawa discussing the subject of the regulation of securities across Canada. That was a full day's meeting, and some matters were resolved in principle at that meeting. Subsequently it was most of the provinces' understanding that there would be a follow-up meeting of ministers after the officials had had some opportunity to work out the details to the principles, as I understood them, having been agreed to at the meeting.

There was then an agreement, an accord as they called it, struck between Ontario and Ottawa, which was signed on April 27. That accord was arrived at between those two governments without consultation with any of the other provinces. I found out about that via telephone calls some two hours before that accord was made public, I'm told that the other eight provincial governments were made aware of it in the same fashion.

DR. BUCK: Mr. Speaker, is the minister just going to stand idly by and allow this to happen, or is she going to take the responsibilities and see what can be done to make sure that provincial jurisdiction is not invaded?

MISS McCOY: Mr. Speaker, there have been a great many consultations following on that bilateral move by Ottawa on Ontario. After some considerable amount of correspondence I called for a meeting in Calgary on May 19, which was held and attended by the provincial ministers, the federal minister finding his schedule to be so important that he was unable to attend and discuss the matter with the provinces. I might add that Ontario did attend that meeting on May 19 in Calgary.

At that meeting the nine provinces agreed that the bilateral accord was not agreeable, and I can say and continue to say that it is not agreeable to the province of Alberta. Since then we have been consistently calling upon the federal minister to meet with the provinces and to have further discussions on the subject. So far he has been avoiding or at least giving no particular

co-operation in our efforts to have a multilateral discussion with him.

DR. BUCK: Mr. Speaker, to the minister. Is she trying to communicate with other provinces to see if something can be done, or is the minister just going to let the case rest?

MISS McCOY: I'm in almost daily contact with the other provinces in Canada and have been for all of the month of May and a considerable part of the month of April. This being June 2, I can say that I have been for all of this month as well to date.

The position that the nine provinces are taking is twofold. Number one, this accord that Ontario signed with Ottawa is very much, in our view, an incursion into a provincial responsibility; that is to say, securities regulation. Secondly, on areas that impinge or impact on provincial responsibility that have international consequence, there has been a protocol or a convention established that the provinces have full participation in negotiations leading to international agreement. As an example I would mention the General Agreement on Tariffs and Trade, the multilateral trade negotiations, which are taking place in that manner.

MR. SPEAKER: Edmonton Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I think the minister is correct in worrying about the incursion of the federal government into this area of provincial jurisdiction. However, if the minister will not accept the Ontario model, what steps is the minister taking to keep our securities industry competitive with Ontario, which is moving and being creative and creating the kind of securities industry' with which we may not be able to compete?

MISS McCOY: Well, the hon. Member for Edmonton Meadowlark has once again typically taken the Liberal view, but it is the Liberals in Ontario who are indeed moving to regulate a securities industry in Ontario in a manner that we in Alberta and other provinces across Canada think is unnecessary and would in fact put a further burden on the securities industry. There has been for 30 years what is called an exempt market, in which sophisticated buyers and sellers operate without the intervention of governments or their bureaucrats. That is one of the parts that we are fighting to preserve here in Alberta so that financial institutions and securities firms can continue to operate in the capital markets in a way that is appropriate to the burgeoning businesses here in Alberta.

MR. SPEAKER: Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. To the minister. Since trust companies are starting to act like banks and banks are buying brokerage firms and international companies are taking over trust companies, why didn't the minister have her committee look into all this area instead of just narrowly focusing on the failures of the Alberta Stock Exchange in last summer's fiasco?

MISS McCOY: Mr. Speaker, I fail to understand the hon. member's question. I have not had a committee focusing on the failure of the Stock Exchange. I have had a ministerial advisory committee focusing on the structure of the Alberta Securities Commission, its rules and purposes, and that discussion paper I filed in the Assembly last week.

But to continue with what I think the hon. member wanted to ask and failed to ask, let me answer the question this way. We in Alberta are having ongoing discussions with other provinces, and we continue to work out our own policy positions because we are very concerned. And we intend to achieve a viable capital market in Alberta that achieves two things: one, it does not create artificial barriers to capital flows across Canada, and on the other hand, it does not create artificial capital flows or capital activity for emerging businesses in Alberta.

MR. SPEAKER: Thank you. Member for Edmonton Avonmore, followed by Edmonton Gold Bar.

Contraceptive Counseling

MS LAING: Thank you, Mr. Speaker. To the minister of hospitals and medicare. Yesterday the minister, responding to questions regarding cutbacks to contraceptive services, stated that it was not his government's -- and I quote -- "intent to try to seek out various groups that may represent some narrower point of view." He makes this statement despite the fact that women represent 50 percent of the population and are traditionally held more responsible than men for contraception.

My question to the minister: does he truly consider the very real concerns expressed by women regarding the elimination of certain contraceptive services to be those of some narrower point of view?

MR. M. MOORE: First of all, Mr. Speaker, I want to acknowledge that indeed the cuts that were announced a week ago last Tuesday with respect to the medical care plan involving sterilization are ones that affect both men and women. The Assembly should also recognize that such things as contraceptive counseling are matters that are not female by themselves. Indeed, males and females ought to avail themselves of the opportunity for counseling in that area.

Insofar as my remarks yesterday were concerned, what I meant to convey was that when I met with the Alberta Medical Association, the College of Physicians and Surgeons, the chiropractors, the podiatrists, the physiotherapists, and all of those groups, they were speaking of -- and I hope that I was discussing with them -- the effects of the health care insurance plan on everyone, just not males and just not females.

It goes without saying that I have a very high regard for the views expressed by women in this province. If that were not the case, I would not have agreed so readily to meet and spend some considerable time with the Alberta women's council to seek their advice in this regard. So I make no apologies, Mr. Speaker, for having had that meeting and listening to the women of Alberta. I think that's an appropriate thing to do.

MS LAING: Mr. Speaker, podiatrists?

Will the minister name those organizations which have specific concerns around contraceptive and reproductive counseling that have in fact the broad perspective that he values? Would he name the groups that he did consult in regard to this matter?

MR. M. MOORE: Mr. Speaker, I've had regular communication with a number of groups that have interests in that area. Certainly the whole question of abortion has been one that's been a subject of debate between various groups that provide contraceptive counseling and counseling involving people who have had abortions or who are seeking one. I haven't speci-

cally sat down with any group and said, "This is what we're going to do in terms of the health care insurance plan." I have asked them for their opinions, just as I've asked members of the opposition for their views about what areas in the health care insurance plan can be reduced so that we can finance the plan within the budget that's been brought down. As I said yesterday, I'm still waiting to hear from the opposition in this regard.

MS LAING: Mr. Speaker, abortions are often a result of a lack of reproductive and contraceptive counseling and alternatives and offer no answer to this question. Will the minister advise what input he solicited from women and women's groups prior to this announcement of contraceptive service cutbacks?

MR. M. MOORE: If the hon. member had been listening yesterday, she would have learned that a report called *In Trouble -- A Way Out*, the subject of some considerable discussion last week, was commissioned by the directors of the Alberta Community Health System, which involves women in a very major way, and did consult with a wide variety of groups and came to the conclusion that the present method of providing counseling in this province with regard to birth control and pregnancies is entirely inadequate.

The report suggests that very few teenagers avail themselves of the opportunity to go to family physicians for contraceptive counseling. It goes on to suggest that the responsible way to provide additional counseling in this area is through community-based programs carried out by health units or family and community support services programs and in the schools.

Now, Mr. Speaker, the report speaks for itself and in my view supports very strongly the direction that the Minister of Community and Occupational Health and myself are heading, and it may be that the minister responsible for Community and Occupational Health would like to respond further to the question. It's a very serious problem, one that demands the attention of all of us.

Again, Mr. Speaker, until this report was tabled, I heard nothing on this subject from any member of the opposition. I'm hoping that now they will have the opportunity to read the report and get some feeling for what the real problems are.

MS LAING: Mr. Speaker, women bear children from the age of 20 to 50, long after they are teenagers, and teenage pregnancy is only one part of the problem. Education and counseling is one part of the problem, prescriptions and monitoring are also. What evidence can the minister offer to the women of Alberta that would cause them to re-evaluate what must now be a reasonably held opinion: that their views do not matter to this government?

MR. M. MOORE: Again, the hon. member does not recall that on May 26 I tabled in this Legislature a letter to Dr. Richard Kennedy, president of the Alberta Medical Association, where I said in part that contraceptive counseling can and should be provided during the course of an office visit for a general annual checkup or for other regular office visits. I also indicated that if an individual is returning for a follow-up visit after receiving a prescription for birth control pills, that could be accommodated and billed under what's called an A-4 or an H-604. In other words, in short, there are ample and adequate opportunities for general practitioners to provide contraceptive counseling and follow-up control. The hon. member would do well to read that letter.

I just conclude by saying again: in the three months that this Legislature has sat, Mr. Speaker, I've asked numerous times for the opposition's views on how we can control health care costs. The only thing I've got so far is a proposal from the hon. leader of the Liberal Party and the hon. leader of the NDP that we close rural hospitals, and we simply can't agree to that.

MR. SPEAKER: Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. A supplementary to the Minister of Community and Occupational Health. Because of the acknowledgment from the hon. Minister of Hospitals and Medical Care that community agencies can and should be providing family planning and contraceptive counseling services, will the minister now finally consider taking these programs out of the competition of the family and community support services program and fund them directly?

MR. DINNING: Well, Mr. Speaker, I answered that question last week when I said that we were looking at the report prepared by the community health directors and that we would hopefully have some action placed by the end of this month or early in the next.

But the hon. member raises one very good question, and that is the responsibility of the communities. There are some 110 municipalities in this province that contract with the government to deliver family and community support services. Two of 110 municipalities choose to do that. This is a problem. I would encourage those municipalities who enjoy funding this year 25 percent greater than they had two years ago to look at the problem, look at their priorities, relook at their priorities, and recognize this as a problem, an area that needs funding. I'd encourage them to do that.

MR. STRONG: They've recognized the problem; they're going to get rid of it in three years.

MR. SPEAKER: Is this a supplementary, St. Albert, or just having a discussion? I see; all right.

MR. STRONG: If you'll allow me.

MR. SPEAKER: You can try. Edmonton Gold Bar, followed by Edmonton Glengarry.

Proposed Facility for Mentally Handicapped

MRS. HEWES: Thank you, Mr. Speaker. My question is to the Minister of Social Services. It appears that the Department of Social Services intends to establish an institutional facility for individuals with a mental handicap in the village of Youngstown, and this seems to be being done to alleviate overcrowding at the Michener Centre in Red Deer. To the minister: the proposed facility is segregated from the village of Youngstown and is 43 kilometres from the nearest centre; that's Hanna. Will this allow residents and staff of the facility to participate in the mainstream of community life?

MRS. OSTERMAN: Mr. Speaker, a final decision on the use of that particular facility has not yet been taken.

MRS. HEWES: Thank you, Mr. Speaker, I hope that that's an indication . . . Does this then, to the minister, indicate an admis-

sion that the department is moving to or from the institutional approach to another approach which attempts to integrate mentally handicapped persons into communities?

MRS. OSTERMAN: Mr. Speaker, at all times staff in the department as well as at Michener Centre are asked to put forward ideas that would alleviate or make better living conditions for the various people that have to take advantage of our services. I think the hon. member will know that there are two very distinct views in our society about the type of living that should be enjoyed by mentally handicapped people. We have the Association for Community Living, and we also have the Michener Parents' Association, who have a very strong belief that the particular people in their lives should continue in institutional living, and we are trying very hard to continue to make alternatives available to people.

MRS. HEWES: Thank you, Mr. Speaker. Michener Centre in the city of Red Deer, however, hardly can be compared to what's being contemplated here. Does the minister believe that such institutions, if that is the route chosen, should have available to them recreational, religious centres, libraries, and be accessible to families and friends for visits?

MRS. OSTERMAN: Mr. Speaker, if the hon. member is saying, "Should people have the enjoyment of rural living as well as urban living?", I would say yes.

MRS. HEWES: Mr. Speaker, this whole consideration is happening at a time when the government has turned down funding for the Boyle Street group home. Is this the government's policy, to expand the institutional approach and neglect the approach that establishes group homes integrated within the community?

MRS. OSTERMAN: Mr. Speaker, there are many, many group homes within the confines of the city of Edmonton as well as other municipalities, and if for instance we would choose to utilize the area of Youngstown for additional living facilities for mentally handicapped people, that would not be an expansion of the institutional system. Instead of growth at Michener Centre, we would see a downsizing of that centre.

MR. SPEAKER: Red Deer North, followed by Edmonton Highlands.

MR. DAY: Thank you, Mr. Speaker. To the minister, a supplementary. Can the minister indicate to us if she has had communication with the parents of children at the Michener Centre indicating whether they would be consulted on a move from institutional living to community living?

MRS. OSTERMAN: Mr. Speaker, at all times parents and guardians are consulted, and in no cases would there be a move without that consultation and concurrence.

MS BARRETT: A supplementary question, Mr. Speaker. A few years ago this government embarked upon a program euphemistically called deinstitutionalization of mental health patients, and it resulted in basically dumping them into the Boyle Street area. I wonder if the minister is now working with her counterpart the minister responsible for housing to follow up on the recommendations last week of the committee on home-

lessness to ensure that those people have access to housing that is affordable and usable.

MRS. OSTERMAN: Mr. Speaker, I'm sure there is a great concern and opportunity to discuss mental health patients, but the people that are under discussion here are mentally handicapped.

MR. SPEAKER: Edmonton Glengarry, followed by Vegreville.

Grizzly Bear Hunt

MR. YOUNIE: Thank you, Mr. Speaker. For the Minister of Forestry, Lands and Wildlife. When the minister announced the Kananaskis grizzly hunt for this spring, he started a continentwide uproar which has created a coast-to-coast impression that Albertans have no respect for preservation of wildlife. I've received what I'd call an avalanche of mail on the issue, including one letter which said:

knowledge of it will certainly discourage those who value wilderness unspoiled from spending their vacation time and money in Alberta.

Is the minister not concerned that his ill-considered decision has given our nature-based tourism a black eye and that another hunt next year will compound the damage?

MR. SPARROW: Mr. Speaker, in reviewing the activity that took place since the hunt last year, one bear in Kananaskis was taken. The regulations this year for that area: no permits will be issued in the Kananaskis area. The same hunting season will take place as previously in the year 1986 and in other areas throughout the province.

MR. YOUNIE: I wish the minister would repeat that. Did the minister say there would be no grizzly hunt in Kananaskis next year?

MR. SPEAKER: That's a supplementary question.

MR. SPARROW: The answer is yes.

MR. SPEAKER: Vegreville, followed by Calgary Mountain View, followed by Edmonton Meadowlark, if there's time.

Organic Waste Compost Project

MR. FOX: Thank you, Mr. Speaker. My question is to the hon. Minister of the Environment. The people in the village of Ryley have been working for some months on an ambitious plan to develop an organic waste composting and recycling project in their community, and I'm wondering if the minister could outline to what degree his department has been involved in this project.

MR. KOWALSKI: Well, Mr. Speaker, I'm just delighted to inform the Member for Vegreville that tonight I will be inaugurating in the village of Ryley Alberta's first composting project, with the symbol Captain Compost Is Now Here.

MR. FOX: Well, to Captain Compost across the way there -- and I might remind the minister that there are many types of organic waste that can be composted. If this important project proves successful, what plans does the minister have to use the Ryley project as a model for other community-based recycling

programs?

MR. KOWALSKI: Mr. Speaker, Ryley will become the model in Alberta. It was less than a year ago that individuals from the village of Ryley came to me with their thoughts on the matter with respect to a recycling project. Over the last year we've had an opportunity to meet with the citizens of the village of Ryley on several occasions and through it all have now determined that very shortly this project will get under way. We'll inaugurate it tonight. It's my understanding that virtually every property owner, homeowner, in the village of Ryley will be participating. We've arranged to declare a new symbol for it in addition to the the watchdog, Captain Compost. We will have highway signs erected in directions leading from Ryley outlining that Ryley is the composting leader in the province of Alberta.

While it's an experiment and a pilot project at this point in time, I really believe that there's some exciting potential with respect to this matter and the use of compost for soil extenders, land reclamation projects, and on a commercial basis as well.

MR. FOX: Could the minister advise if this is an expensive undertaking for communities to get involved in?

MR. KOWALSKI: Mr. Speaker, as I've indicated on numerous occasions in the House, this government is wide open for innovative ideas with respect to recycling and anything that could work and assist us in enhancing and improving the quality of the environment in this province. In this case the composting project in the village of Ryley is very small in terms of dollars. The amount of dollars that has been requested of us, and the amount of dollars that we've agreed to allocate, will be \$12,000 in total. The village of Ryley has also discussed and worked with other groups, private entrepreneurs in the province of Alberta, and will be receiving some additional benefit as well.

MR. SPEAKER: That blissful time, the end of question period, has occurred. Might we have unanimous consent to complete this series of questions?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Additional supplementaries on this urgent issue?

ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MRS. BETKOWSKI: Mr. Speaker, seated in the members' gallery are 26 students from the grades 5 and 6 class at the Grovenor school in the Edmonton Glenora constituency. Accompanying them today are two teachers, Miss Juhli Nicols and Mrs. Deborah Wilkinson. I would ask all the students and their teachers to please rise and receive a very warm welcome from this Assembly.

MR. WRIGHT: Mr. Speaker, also seated in the members' gal-

lery are 21 students from grades 5 and 6 of Garneau school in the constituency of Edmonton Strathcona. They're accompanied by teacher Ms Sandra MacRae and two parents, Mrs. Victoria Scott -- and I see an old friend of mine seated in the public gallery; Mr. Leroy Pearce, a former candidate for office in this Legislature. If the pupils would rise with their teacher in the members' gallery and receive our welcome we're all set to give them, Mr. Speaker.

MR. CRAWFORD: Mr. Speaker, I move that the motions for a return on the Order Paper stand.

[Motion carried]

head: **MOTIONS OTHER THAN
GOVERNMENT MOTIONS**

219. Moved by Mr. Hyland:

Be it resolved that the Legislative Assembly urge the government to undertake a review of the mandate of the Public Utilities Board and its effectiveness in fulfilling that mandate.

ANHON. MEMBER: Agreed.

MR. HYLAND: Sounds like somebody is ready to vote on it already.

ANHON. MEMBER: You shouldn't worry, Al. We're going to support it.

MR. HYLAND: Well, with that comment, Mr. Speaker, I don't know. The last couple of motions I've had forward, the NDP opposition has supported them. I'm getting a little scared.

ANHON. MEMBER: You'd better switch your allegiances. Al.

MR. HYLAND: Maybe I should trade seats with the hon. Member for Calgary McCall.

ANHON. MEMBER: No, no way. We give up.

MR. HYLAND: Firstly, why I think the review of the Public Utilities Board is necessary at this time is that the Public Utilities Board has been in position for a number of years, and to the best of my knowledge there has been no major review of the operations of that board; i.e., as it affects the public. I think it's time that that should be done, and there's a great concern amongst people who appear before the board or the public on how it affects the public in the operation of that board. I think it's an opportune time to review. We've reviewed in the last year a couple of other major boards that have provided service, at least to the agricultural population of the province . . .

MR. SPEAKER: Order in the Chamber please, hon. members. The Member for Cypress-Redcliff please. And perhaps any discussions with the media might be held outside the Chamber.

MR. HYLAND: . . . through the crop insurance board and the ADC review. We have the report of the crop insurance board, and it shows what many good suggestions can come out of a review where the review is carried out throughout the province,

as we see the result of the report of that committee. I think that would stand in good stead, to review the Public Utilities Board that way and see what the general public would suggest on changing its mandate.

I would also say too, Mr. Speaker, that the minute you talk about something quasi-judicial such as the Public Utilities Board, people start to get worried and start to get afraid of appearing in front of it, as if it were a court with judges and lawyers and the whole gamut that goes with the judicial system. The general public person doesn't like to get involved in those kinds of operations, and I think that way, too, it makes people afraid to appear before it in interventions.

Mr. Speaker, I think the original mandate of the Public Utilities Board -- there may not be a lot wrong with it. I think the problem is being created in the way the operation has grown since its initial development and become so complicated and hard to understand that it makes it very difficult for somebody off the street or a consumer or a user to appear before that board and make the board understand his feelings and express his concerns as to the way they feel the increases will affect them.

Mr. Speaker, also just to illustrate the responsibilities of the board, the board has some 15 major responsibilities that they can be asked by groups providing services to sit and judge on their desires, all the way from fixing the price of natural gas and the price of propane to the price of milk to settling differences between municipally-owned utilities and member-owned rural gas co-ops, fixing the power rates, et cetera, et cetera. So it's a wide range that the Public Utilities Board is expected to sit and judge on. I think it is something that does need review, because times have changed now since the Public Utilities Board's conception and probably some of these activities they do could be carried on by other groups.

Mr. Speaker, the main part of the Public Utilities Board, in order for it to do its job properly, I feel at least is the importance of interventions and the importance of people, i.e. the consumer, standing up and intervening in front of the Public Utilities Board to say that this affects them in a certain way and they think it should be looked at. But the way things have happened, interventions now cost a great deal of money. Even though we often feel and understand that people intervening before the Public Utilities Board have the full rights and legal privileges to question those people presenting and requesting the increases, there's still a great deal of expertise employed by the companies applying to the board, and one preparing to intervene is not always assured that his or her cost will be covered in preparing his case to appear before the board. Thus there is fear of putting a great deal of money out in expert advice and then going to the board, and the chances are always there of not having that cost layout covered.

[Mrs. Koper in the Chair]

Just to outline, Madam Speaker, how things have changed in a number of years on the costs of interventions, in a 1978 decision regarding Canadian Western Natural Gas, there were two intervenors: the city of Calgary for, in rough numbers, a total of \$510 and change and a gentleman from southern Alberta, Bill Arsene, \$104, for a total of \$614 and change. In 1986, in another decision of Canadian Western Natural Gas, there were about five or six intervenors for a total cost of \$292,710 and change. So in eight years a real difference in the cost of appearing before the Public Utilities Board, and a cost somebody is expected to put out not knowing they will receive reimburse-

ment for that cost. For example, the city of Calgary's intervening costs in that eight-year period goes on from the \$510 to \$90,591. So that's a lot of money the taxpayers of the city of Calgary have to up-front before they can receive it back from the Public Utilities Board.

Madam Speaker, that just shows that a lot of money has to be laid out to appear and challenge the submissions of the companies and thus affect the decisions of the board. A great deal of money is laid out, as we can tell by those figures, and I repeat, not being assured of a return on that money. But even if the decision of the Public Utilities Board is to fund the intervenors, the intervenors are not funded by government but are funded as a result of assessing the companies additional amounts of money put on the utility rates. So in reality the consumer pays for the company to have all their people brought forward to appear before the Public Utilities Board and put the information together and put it before the board. The consumer pays for that. He appears before the board on behalf of whether it's the city of Calgary or the city of Red Deer or individually or a group, which I'll get to later. He pays for that. And then the whole bunch is put on top of his utility bill and he pays for the whole thing over a period of time. So, Madam Speaker, there is nothing magical. Once a board awards the costs, they're still paid for by the people who are using the product.

Madam Speaker, there was a group started in southern Alberta, with the president from my constituency, called the Energy Users Association of Alberta. This group was started when one of the gas utility companies started to prepare to ask for a rate increase -- it's largely composed of people who burn natural gas for power sprinkler motors to sprinkle on their crops -- and it received some exposure to the other parts of Alberta and some support from the other parts of Alberta in a hearing last spring. The group is still trying to join the groups together in Alberta so they can appear before the Public Utilities Board when rate hearings affect them. This is not a high-price or high-profile or highly funded group. They're working on minimal funds, mostly on funds in time donated by the various officers of the association.

Some of the members involved in the association have from time to time appeared individually before the Public Utilities Board on rate hearings that have affected them, and I have here a letter I want to quote from that was written by the president of the association about how he felt when he appeared before the Public Utilities Board to intervene on the rate increase. In one part of the letter, and I quote:

The board listened to all the intervenors, but it is difficult to say how the board judged what was said.

He also says in the letter -- and he's talking about intervenors in this case -- that a number of intervenors appeared or were prepared to appear before the board and were there at the prehearings. In describing them, Mr. Eichelbaum said:

Most of them were not aware that the hearings would last longer than one day and left before they had a chance to present their intervention, i.e., not understanding how complicated it was and how long it would take. They were prepared to be there one day and then had other business or it was all the time they had off and went home, and they didn't get a chance to present their questions.

He goes on to say that members of board through this time asked questions of the experts provided by the companies, but intervenors were given the chance. But with the amount of information that was handed to them a short time before, once they had filed their notice to intervene it was so complicated that

it was hard to understand, in fact hard just to get through it. The letter goes on to outline the time he spent there and to note that one of the other gentlemen with him had spent four or five days there and there was pressing business on his farm. He only had somebody to cover on feeding his livestock for a certain amount of time, and he asked if he could speak before he left. The board did move some of the scheduling around -- the third day; sorry -- and this gentleman was allowed to speak and give his views before he had to leave.

Mr. Eichelbaum then remained and waited until day five before he was then given a chance to speak. He goes on to say:

By that time so much material had been presented as evidence by the applicant, that [it was] simply impossible to read, understand and react on with the time provided and my limited background knowledge of the subject matter.

So, Madam Speaker, as one can see there was a mammoth amount of information provided, and for a layperson to appear and go through this information and question it was almost impossible. The person wonders if he really tested the application as best he could, but I've seen some of the information provided on this one hearing. There were two books, probably two to two and a half inches thick, so that's about five to six inches of material. That's probably a thousand pages or more of information to look at and digest. And all this information is prepared by people who -- in the companies, that's their total job: to prove what the cost of operation is, what the need for profit is, to put it all on there; to argue that this kind of capital gains write-off is not as good as this guy's in the capital gains write-off and you need more; that the cost of gas here is less than the cost of gas there; and it goes on and on and on. Then one has to question all this information and really wonder if you're doing the job in what you're attempting to do in serving the rest of the people as a volunteer.

This association and gentleman intervened twice more, based on their experience from the first intervention. They feel that as a result of that, some sort of consumers' advocate or some sort of assistance would be beneficial to them in testing the application. Madam Speaker, we got into the possible consumers' advocate last year on a motion, and I expressed my views on that in that I thought that was maybe one step but the real step should be to review the operation of a board, as I've put the motion forward today.

Now, I've outlined all the information as provided to me by the constituent on how he felt in front of the Public Utilities Board. Maybe the original intention was okay, but our system has gone astray in attempting to provide so much material to back up a request for increase, and that's what we have to examine. Do we need six or seven inches of paper, of material to prove we need intervention, and do we need to tie up the Public Utilities Board in writing 500 or 600 pages of a decision to say they do or don't need the rate increase as a result of the five-plus inches of material provided initially? I think that's what we need to examine. We need to examine how we get at the findings. Let's break it down into some simple operational language that people can understand. Let's develop some sort of position so that all groups are applying the same. Then when people appear before them, they can decide if the information provided is right, not everybody doing it their own way.

Maybe we should look at a board that just has a few permanent members and the rest are appointed to hear specific hearings; i.e., as we did on the Environment Council, where we appointed a number of people to go around the province and con-

duct hearings on recycling and had one permanent member of the board and four other people. Maybe we should look at that aspect. Then we've always got somebody new in there asking new questions about how things are done and reviewing the situation. It's an option.

Madam Speaker, also this Energy Users Association passed at their annual meeting a couple of motions I would like to bring forward. One was that the cost of interventions is [inaudible] by the board, perhaps so that people could appear before the board initially and build up a fund. So that they could do this, perhaps a compulsory checkoff could be developed to fund interventions to the Public Utilities Board. It would give them a pool of money to operate with to start. But then again, maybe that's just adding fuel to the fire that's going on. It's not a review; it's a way of appearing before and breaking down the application, but it's not a way of reviewing the operations of the board. It's just a way to see that the consumer receives a hearing in front of that board and the consumer has the expertise available to go through the mounds and mounds of paper to examine to see if everything in that paper is right.

Another resolution that was passed is that maybe we wouldn't have so many hearings in front of the Public Utilities Board if the elimination of natural gas franchise areas and other franchise areas in this province for utility distribution were removed and it was wide-open competition. Who provided the best service at the best price would then get the contract, and away they would go. In many ways maybe that's another thing that could be looked at. It would sure show which operation of which utility could be pared down and operated with the least overhead and the best return on investment, because they would be the one that would survive.

Finally, Madam Speaker, the association also moved a motion that

The association support the motion, being presented to the Legislature by M L A Alan Hyland, that the Government initiate a total review of the mandate and operations of the Public Utilities Board.

So I guess my speech in front of their annual meeting did have some effect in that they backed the motion I had submitted to be on the Order Paper at that time.

[Mr. Deputy Speaker in the Chair]

It is of interest, Mr. Speaker, that on May 12 of this year the government of Saskatchewan, under cabinet minister Gary Lane, announced and released in a press release that the public utilities board in Saskatchewan would be disbanded forthwith and would be wound down by October 1987. That would be the end of the Saskatchewan public utilities board. Looking at the press release on the end of that corporation, the reasons cited were that the cost to the Crown of operating their equivalent of the Public Utilities Board reached a total of \$6 million to date and is rising. That was part of the concern. The other part of the concern, I understand, was that was just what it was costing as the government portion to operate. There were estimates that at least that or maybe two or three times that amount was being used by the various Crown corporations and other organizations in the province in extra staff they always had on staff to write up the applications for increases. So they should be able to cut some of the costs off because of that. They're also quoted in the release as saying:

"The government has become increasingly concerned with the complexity of applications and interventions to

PURC. This has developed through no fault of the commission; it is how the process has developed," Lane said.

Exactly what I have said this afternoon, Mr. Speaker, in my concern of the Public Utilities Board operation in Alberta: the complexity of it and the complexity of the applications people have to put in front of that board.

I understand that in questioning the chairman after the announcement was made about the cutting out of the public utilities board in Saskatchewan, the chairman said in an answer -- I would assume to a reporter asking: "What's this going to do to the watchdog commission of the people?" -- something to the effect that he felt that with the board being in operation for five years, it had left principles intact; people understood the principles and policies the board had operated under, and if people stuck to those principles and policies, the public would be protected in that they had laid out guidelines through their years of operation that they thought, if everybody followed that, would leave them in good stead for a few years.

So, Mr. Speaker, I am asking the members of the Assembly to support my motion, to express their views on my motion, and see if we can get on with a review of the Public Utilities Board so that it serves the public as it was supposed to serve the public when initially started.

Thank you.

MR. DEPUTY SPEAKER: Hon. Member for Athabasca-Lac La Biche.

MR. PIQUETTE: Thank you very much, Mr. Speaker. I would like to compliment the Member for Cypress-Redcliff in urging the government to undertake a review of the mandate of the Public Utilities Board and its effectiveness in fulfilling that mandate. The Member for Cypress-Redcliff did indicate that a lot of his motion that he makes is supported by the Official Opposition. Perhaps he's sitting on the wrong side of the fence here.

Anyway, I would like to start out by indicating that from a lot of the complaints I receive through working with small power producers and consumer groups, it's perceived by the public that the Public Utilities Board is more of a lapdog committee as opposed to a watchdog committee. It appears to be working more on behalf of the monopolies in the sense that the expertise is owned by the big power monopolies in Alberta -- the TransAlta, the Alberta Powers, and the Canadian Utilities companies -- and when intervenors are trying to battle these giants in terms of consumers or small power producers, they really don't have the expertise in order to do so. And the cost, as indicated by the Member for Cypress-Redcliff, is really beyond the reach of a lot of them, especially small power producers. They vary, from what I've been indicated, from \$50,000 to about \$300,000 per case, and some have even been much higher than that. And if you look over the last 20 years, there has been a tremendous increase in the costs of intervening, and the consumer is really saddled for paying from both ends of the stick. He pays for the costs of the companies to make the price proposal increases to the PUB and has to also pay for the costs of intervening. So as the general public here, we're really getting shafted by the way the PUB mandate is set up. It's there really to protect the mandated profit margin by our power producers and gas utilities in Alberta.

It's to the benefit of the large monopolies here to be passing on their costs to the general public. For example, we hear

charges from the Rural Electrification Association that they're being unfairly gobbled up by the two power monopolies in Alberta because it is to their benefit to front-end their costs and then they can pass on their costs of amalgamation by maximizing their profit margin. If you buy an REA in terms of a very low bid on their property but then can claim that it's a \$20 million investment, that is all calculated in terms of the 15 percent or 14 percent profit margin that both these monopolies were able to claim from the PUB in the falling rate increases proposal.

So it's very, very unfairly set up the way it is by PUB. It is to protect the large against the small. We have, for example, a number of small power producers in Alberta, a couple of them in the Athabasca-Lac La Biche constituency -- Southview Fibretech -- who feel that they have really no chance to have an access to the power grid because at the present time, I believe, only 10 kilowatts are available for small power producers. Even though there's been a promise to do a fast track between PUB and the ERCB, they still feel that the way it's set up at the present time is still discriminatory against the small power producer. What we need to have in this province is two resolutions to the problem. Either we have real competition among our utility companies, which at the present time does not exist, and if we are going to have competition, then we should allow the small power producers equal access to the power grid -- at this time, that doesn't exist -- or if we are not going to be allowing any competition, I think the government then has to say one or two things. Maybe it's time that the people of Alberta purchased the assets of TransAlta and Alberta Power and also the Canadian Utilities distribution company -- the utilities gas company -- and maximized that kind of competition within a Crown corporation, as opposed to allowing private monopolies to maximize their profit without much of a benefit to the consumers of Alberta.

I was just down in Quebec on the weekend addressing a convention and, for example, I met with one of the ministers responsible for Quebec Hydro. He indicated to me that Quebec Hydro this past quarter has made a profit of \$243 million for the province of Quebec, which they are then able to recycle into their economy. This is not happening here in Alberta. We have shareholders which are the ones who are profiting from the great arrangement we have made for monopolies here in Alberta. They're the ones that get the benefits of the shares. And there's no mandate here if we're going to be shafting the consumers for the great profit margin -- for example, the 15.5 last year -- that they have to put that money back in the economy of Alberta. A lot of the shareholders -- for example, TransAlta -- are owned by people outside the province, so we are paying the cost. We are paying a high cost for the energy costs in Alberta but getting very little of the benefit and very little of the jobs that could really be recycled into our economy here in Alberta.

I'd like to again compliment the Member for Cypress-Redcliff, because I think a lot of the things he indicated I indicated last year when we talked about the whole mandate of the PUB. I wonder how many times individual members from the Conservative side have to raise the issue before the government really looks at orchestrating a review of the mandate of the PUB and a review of the whole energy -- the private utilities boards of the province of Alberta. Is it really serving the interests of both the consumers and the people of Alberta, and the government of Alberta? We are front-ending a lot of our costs through PUB like Saskatchewan, for example. The government of Saskatchewan has looked at dismantling the whole process because it's really only adding on cost to the consumer as opposed to

saving money for the consumer. Really, perhaps here in Alberta we should do the same thing: quit kidding about who we're trying to protect here. Are we really trying to protect the interests of large corporations as opposed to protecting the interests of the average consumer?

We should also admit that the PUB is set up not to help diversification or competition in utilities but basically to prevent competition within the whole province of Alberta. So it really has no benefit the way it's set up. I would urge the government to really set up a commission or a board that would be representative of all political parties and all interest groups. It should not be restricted to representatives from the major private utilities companies because I know very well how they work so well to put their points of view across to the government. We just take a look at a lot of the retirements or the people from the Conservative Party who, say, lost an election or ran for nominations in the election period. We find that a lot of these people are appointed to directorships of TransAlta and Alberta Power and Canadian Utilities, again making sure that the government does not take any action in terms of reviewing the whole matter of the unfairness of our system here in Alberta.

We are the last province in Canada to actually have private monopolies control the manufacturing and the sale of energy. I really think that when we look at the way they function in other provinces, it is not to the benefit of Alberta consumers and to small solar power companies and solar manufacturers. We don't have the same rules being played. For example, if you're a small solar power company, if you're trying to access some of the same grants which are available to, say, farmers or through the REAs, that's not available.

We're also finding that the costs of installation of power by TransAlta and Alberta Power are way out of proportion from what they actually should be costing. When we start looking at the costs that they charge -- with no competition -- for the hookup to rural farmers in Alberta or to acreage owners, there's just a tremendous front-end cost that TransAlta and Alberta Power are putting on to the small business sector and to the farmers. Really, when we start looking at what they charge for the service, instead of frontloading that cost to the acreage owners, the farmers, or the Metis colonies or settlements, whichever the case may be, there should be a lot more longer-term financing available so that you're not looking at having to pay \$5,000 or \$10,000 up front in order to have power access to your home on acreages or on Metis settlements or elsewhere. There should be long-term funding available by these people so that they are not forced to pay all of that money up front.

At the same time, I think the utility company, the power company, should be made to pay at least 50 percent or more of the cost of installing the power in those residential areas as opposed to being allowed to pass on 100 percent of their costs. And I think they're much more than 100 percent, from the figures I've been given by a few companies who provided me with information of what they would charge, for example, if they had the right to provide power lines to consumers as opposed to having the private monopolies have an iron fist control of those kinds of installation.

So I would urge the government to review the whole mandate of the Public Utilities Board and the way we have set up our power utilities and gas utilities in this province, where we have not allowed any competition, and that we look at making sure that in the future PUB really represents the interests of the consumer and not the interests of our private monopolies.

MR. DEPUTY SPEAKER: Hon. Member for Red Deer South.

MR. OLDRING: Thank you, Mr. Speaker. It's a pleasure for me, too, to rise at this time to discuss the Public Utilities Board process in this province. I want to compliment and thank the Member for Cypress-Redcliff for bringing it forward at this time. It's certainly a subject matter that's of great significance, importance, and concern to this member and to the constituents in Red Deer South.

Motion 219 before us this afternoon is urging the government to undertake a review of the mandate of the Public Utilities Board and its effectiveness in fulfilling that mandate. Again, Mr. Speaker, this is something that's certainly dear to my heart, and I think it's of some significance to note at this time that my Motion 201, which was the first private member's motion introduced in the First Session of the 21st Legislature, called for the establishment of a consumers' advocate to help Albertans be heard through the Public Utilities Board process. It was just one suggestion that I felt would improve the process and would add to it and perhaps through a review, as urged in Motion 219, the government might come to the same conclusion: that a consumers' advocate might be one alternative or one suggestion. So hopefully, if we're able to vote on Motion 219 and we're able to pass it, that conclusion just might be derived.

Mr. Speaker, I sat on Red Deer city council for close to 12 years. During those 12 years there was only one subject that came up more times, only one matter that I heard more times than the concern expressed over utility rates, and that was Sunday shopping. I mention that not to get into the Sunday shopping debate this afternoon but only to point out the significance of the number of calls I did receive as it relates to utility rate increases. I received a lot of calls and I received a lot of letters during those 12 years. Also, during that time period there was hardly a moment or a month or a day that went by when we as a city weren't involved with at least one intervention, if not two or three interventions going on at the same time. It seems that the process before we even handed down the decision of one intervention, there was already an application for another rate increase. So it's an ongoing process, Mr. Speaker, and a very complex process.

[Mr. Musgreave in the Chair]

It's clear from Mr. Hyland's remarks this afternoon that the real issue here is problems associated with intervention, particularly on the part of individual consumers or small organizations who have very limited resources and very limited expertise. It was of interest for me to note in the 1986 Public Utilities Board annual report they very clearly point out that the primary function of the PUB is

to ensure that the customers of such regulated utilities receive safe and adequate service at rates which are just and reasonable to both the customers of and investors in those utilities.

So when you look at this, again in the 1986 Public Utilities Board annual report, you think: now, there's a body that's there to protect the interests of consumers; there's somebody that's there to make sure I'm not paying too much for my utilities; there's somebody there to take care of me, the little Albertan; there's our consumer watchdog. Certainly that's the impression I gathered after reading that particular comment.

And yet if you go on -- and I took the time to glance through one of the Public Utilities Board's position papers on interven-

tions and cost. This particular paper was put together back in February 1977, and I quote:

"... not only welcomes interventions but considers that it requires interventions to discharge properly its duties as a quasi-judicial tribunal. The Board is neither structured nor funded so that a total scrutiny of the applicant's case can be done by the Board, its staff, or consultants retained by the Board ... An aggressive, intelligent and informed intervention is preferable to ensure that public utilities are regulated in accordance with accepted regulatory principles and the appropriate statutes. Additionally, competent intervenors provide an excellent voice to inform the consuming public they represent, the facts which the Board has taken into account in approving new rates."

So on one hand you're initially led to believe that there is a consumer watchdog in process, but then when you go on to explore it a little further, you note that the real key is intervention, that the critical part of the whole process is intervention. We have to have intervention.

The Board neither assumes the role of a consumer advocate in rate hearings nor retains counsel for that purpose. Counsel appearing at rate hearings are retained by the applicant and intervenors. Additionally, there is no official or government department specifically charged with intervening in rate hearings. The Board looks to intervenors to test the applicant's case.

So a word of caution, Mr. Speaker, and a word of awareness to all those Albertans out there that believe that the Public Utilities Board is there to protect their interests; a word of caution that unless there's intervention, both sides of the story aren't going to come out. You're going to have an application for a rate increase, and without intervention that rate increase could go straight through the system and be approved.

Now, it's of some concern to me, Mr. Speaker, to note that in recent years the number of interventions is decreasing. The real key component to the PUB system's working -- the intervenors -- is decreasing. And it's obvious why. I was on city council when they made a decision that stated, and again I'm going to quote -- the current policy states:

"costs will be awarded against an applicant and allowed to be recovered [from customers] through the rates only if the interventions have been effective in testing the Applicant's case to the benefit of all customers and such costs have been reasonably and necessarily incurred."

So at one point in this process in this system in this province there was a guarantee of being able to recover those costs if you intervened. Now there's a possibility of recovering those costs -- no guarantees -- and you don't find out until the end. And when that policy was changed and became a part of the system, the number of interventions began dropping drastically. I know that as a municipality, the city of Red Deer, it was a very difficult decision for us to make. Did we want to chance intervention and the dollars involved not knowing whether we were going to be able to recover them or not? The Alberta municipalities association dropped out of interventions at that time. The Canadian Consumers' Association dropped out of interventions at that time.

The Member for Cypress-Redcliff has already talked about the drastic increase in the costs of intervention. He pointed out that the Canadian Western Natural Gas application in 1978 was

intervened by the city of Calgary at a cost of \$510.25. Eight years later in 1986, again an application by the Canadian Western Natural Gas Company intervened by the city of Calgary cost \$90,591.90. From \$500 to \$90,000. Mr. Speaker, I know that in part we're comparing apples and oranges, that no two rate applications are the same, that there are a lot of mitigating factors and a lot of extenuating circumstances. But I think it is significant of the kinds of dollars we're looking at in considering intervention.

It was interesting to note that in 1970 there was one individual, a W. Arsene, who did intervene for a cost of \$104. But if you look at the current costs, again if I look at decision C86002, Canadian Western Natural Gas in 1986, the total cost of interventions at that point was \$292,000 plus change just for that one hearing. There wasn't a single intervention that cost less than \$19,800. Another application involving TransAlta Utilities in 1986: the total cost of all the intervenors was \$540,000 plus change. Again there wasn't one intervention that cost less than \$41,915. Again an application by Alberta Power: the total cost was \$488,000 for the intervenors, and the smallest intervention costs of any one intervenor was just over \$35,000.

It's a very costly and expensive process, Mr. Speaker, to intervene at a Public Utilities Board hearing. And if the costs don't discourage the individual Albertan, the process itself does. We have a quasi-judicial tribunal, a very sophisticated process in place, and I don't think it's something you can send the average Albertan to. The kinds of phone calls that I used to get, all the individuals wanted to know was: "Why are my rates going up so much? Why are my rates increasing in a double-digit fashion at a time of restraint? Why are my utility billings increasing so much when my paycheque is going down?"

The system itself, Mr. Speaker, is a system that's built or meant for lawyers, accountants, consultants, and very technical and professional people that are highly skilled and highly trained in a specific area. Again it's not something I can send Mrs. Brown or Mr. Smith to when they phone me on their utility bill. It would be like feeding them to the wolves.

Mr. Speaker, I recognize that we have to have a process in place similar to the Public Utilities Board, and it might be the best process, but I think it needs to be enhanced, I certainly don't want to slight or undermine or criticize the Public Utilities Board. I think we have some very capable people there. We have some very hardworking, sincere people there. They're paying the same utility rates as the rest of us are, and I think they are doing a good job to the best of their ability. But what I as a layperson don't know is: is the system working? Am I being protected? Is it fair to me as a consumer? I don't know that, and I've had more experience with it than the average Albertan, I've been involved in numerous hearings, I've seen the reports and the documents brought back to me by the bucketload, and as a layperson you can't wade your way through them and really comprehend and appreciate everything that's in there.

So I don't know whether the system is working. As a city council we couldn't evaluate for sure. We felt that on one hand we might be having some impact because the applications weren't all being approved in the full amount; they were often less than what they had applied for. But we didn't know how much success we really were having. We only knew that we owed it to the citizens of Red Deer to make sure we were there intervening on their behalf and doing what we could.

Mr. Speaker, when I spoke to my Motion 201 I quoted from a number of letters I had received from constituents, and I think it would be appropriate to again quote from some of those letters

just to point out that the system, as it stands now, doesn't give the opportunity for individual Albertans to be heard. I only wish that there was a method or a mechanism in place for the PUB not just to hear all the technical and all the highly specialized evidence that is brought forward -- I only wish they could hear from Albertans, from the people, from the consumers that are paying the bills. I only wish there was a mechanism in place that they could hear from more of them, because certainly on council I heard from them on a very regular basis. And they were very frustrated with the process because they didn't know where to turn. Do you call your city councillor? Certainly in Red Deer ultimately city council sets the rates, but they're based on the costs that they're paying, and those rates are set by PUB. So they'd phone their city councillors and we'd say, "We're doing the best that we can. Yes, there is a rate increase but it was only a rate increase allocated by the Public Utilities Board. We're only passing it on." So then they say, "Do we write to the Public Utilities Board?" And yes, I suggested that they do that. In fact, during my last term on council I suggested they contact their M.L.A., who at that time was Jim McPherson, and he advised me that he had received over 300 letters expressing concern over the process.

But some of those individuals that wrote -- these are the kinds of responses they were getting from the Public Utilities Board. They pointed out to this particular person that lengthy public hearings were held in the city of Calgary during the period September 3 to September 13, 1985. They go on to say that in excess of 1,300 pages of transcript recorded these proceedings and 76 exhibits were submitted as evidence, and that the board had recently released its 240-page decision, number E85129, dated November 25, 1985. Mr. Speaker, I ask you: what do 1,300 pages of transcript mean to an average Albertan? What do 76 exhibits mean to an average Albertan? What does a 240-page decision mean to an average Albertan? All they want to know is how can there continue to be the kinds of increases we constantly face in paying our power bills. And they might very well all be justified. But certainly it's hard for an average Albertan to comprehend that, based on a 240-page decision.

I had one letter where the individual went on to point out that the board did respond to them, and again they pointed out the 1,300 pages of evidence and the 76 exhibits and the 240-page decision, but they added a further point where they suggested that the board does not set the rates to be charged by the city of Red Deer electric system; the city of Red Deer does. And again, I touched on that earlier: yes, the city of Red Deer ultimately sets the rates, but they're based on the decisions handed down by PUB. I don't think there's been a rate increase for a number of years above and beyond the rate increase awarded by PUB to the citizens of Red Deer. But again, they're frustrated, they're confused, in some situations they're mad, and they don't know who to turn to.

I think the PUB is a necessary board to have. I think the motion in front of us today, suggesting that we review and evaluate the goals, is a good one and I think that would help, but ultimately there has to be a means for you and I other than this quasi-judicial process, which I personally believe excludes us. There has to be a means for us to be heard by this PUB. There has to be a means for all Albertans to be heard by this PUB. I can't help but feel that if the Public Utilities Board could just hear some of those good old-fashioned Alberta grass-roots commonsense arguments, if there were a process for that to get through, the system would work an awful lot better.

I want to conclude by saying, Mr. Speaker, that perhaps what

Motion 219 should really be calling for is a review of the mandate of the Public Utilities Board with a view to changing it, rather than simply determining whether or not it is fulfilling it. I think there need to be some changes there. I think it's a necessary process, but it can be improved upon. I would encourage the members of this Assembly to support Motion 219, and hopefully it will lead to that at some point down the road.

I look forward to hearing the rest of the debate on this very significant motion this afternoon. Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you very much, Mr. Speaker. Speaking in support of the motion, which I must confess . . . I want to congratulate the hon. Member for Cypress-Redcliff -- maybe it's a blood relationship or something in that fresh air and the open spaces down there that makes somebody an automatic Liberal, regardless of what party they sit in -- for putting his finger on an issue that's bothered many people. I also want to congratulate the Member for Red Deer South, not only for his public advocate last year but also for his speech here supporting the changes and reconstruction or hearings, I should say, on the Public Utilities Board.

I think I'll take a little bit of history. The old Public Utilities Board was really set up by one of the first governments in this province, a Liberal one, Mr. Speaker. "Yes, Virginia," as they say, there was a Liberal government in Alberta at one time.

ANHON. MEMBER: That explains a lot.

MR. TAYLOR: The PUB was set up at that time mainly for the railroad. [interjection] They're giving me a bad time. There's no respect for age, Mr. Speaker. I think you would be able to understand how callow youth -- or people without hair -- will occasionally heckle without thinking things through.

[Mr. Deputy Speaker in the Chair]

To go on, the Public Utilities Board at that time was set up as a real quasi-judicial board should be, and I'm afraid it has been picked apart and pulled apart through the years, particularly by this government. The two members maybe would be wise to check the history of their own government. At one time, like any quasi-judicial board, it had a set number of appointments. Now, by order in council the Premier or the Lieutenant Governor in Council can change the number of people on the Public Utilities Board, which is a shame. It's an insult to those that are public utility commissioners because, in effect, lurking behind their heads is a sword or a weapon that can be used to, in other words, stack the court -- stuff the board -- if they don't get the types of decisions they want. If they see something coming up that's quite major -- and we did not too many years ago; it was major as far as natural gas pricings of petrochemicals were concerned. The Premier and this government over there actually took it upon themselves to change the Public Utilities Board. And it wasn't bad enough not only to change the number of people on the PUB; they did two other changes, Mr. Speaker.

One was the salary. At one time, when the Public Utilities Board was set up in the teens and '20s, there was a fixed salary for the length of the term the public utility commissioner was in. Now it's at the whim of the Lieutenant Governor in Council. So that's a second weapon that hangs over the head of a PUB coun-

cillor or member: the possibility that his or her salary could be changed upward or down; there again, one more attack at their independence. Lastly, and this may be just as bad as the other, the time period now is at the discretion of the Lieutenant Governor in Council.

So here we had a quasi-judicial board that had a set number of people on it that had set salaries and for a set period. It was, I believe, the original one. I can't recall whether it was seven people for nine years or nine people for seven years, but it's really immaterial. The point is that they had a fixed time; they had fixed salaries and a fixed number, which really made the Public Utilities Board feel quite independent of political pressure. Now, although I wouldn't be able to point directly to say that they're responding to political pressure, certainly the weapon hanging over their head is very, very much a club that the government has in their hands if they can change set numbers on the board, change their salaries, and also change the time periods.

Next, the question of a public advocate. I think the other two members, from Red Deer South and Cypress-Redcliff, have handled that quite well. There's no doubt that it's far too complicated today, and it's far too expensive to expect small towns or small groups of people or even individuals to take on the well-heeled large corporations that are pushing for the higher fees, because, after all, Alberta is one of the few places where we have much private power, private ownership of utilities. What most people do not realize is that you as a group of farmers or as a farmer going out to protest something to the Public Utilities Board have a heck of a fight with the income tax of the federal government trying to write off your costs. You may get it, but there's no question that the utility company that you're fighting, the large gas or electric company, can take 100 percent of the cost that they have for that hearing off their taxable income before they start paying taxes. So you not only have a double disadvantage -- one, walking into a bunch of well-paid lawyers who are in turn having their expenses deducted from federal income tax . . . Consequently, a public advocate is certainly needed.

But I think also that if we're going to review this Public Utilities Board and start thinking of new uses, possibly we should be looking at a Public Utilities Board that tries to encourage competition, that looks into those certain areas that people can bring to the Public Utilities Board and says, "Look, these are not areas where competition is taking place; these are areas where monopolies have taken hold or where there's a cartel being formed." I'd just start off, just off the top of my head, with an easy one: gasoline prices at the pumps. With our recent rise in gasoline prices, I don't know how many people on the government side have taken the trouble to call downtown Toronto. You call it tomorrow and you will find that in spite of the fact that Ontario pays 8 cents a gallon in tax, not 5 cents as we do, their prices are the same or a little cheaper than ours. In other words, here, where oil is found and where oil is refined, we're paying as much or more for our gasoline today, now, for cars as they are in Toronto. Maybe that should be something that's tossed in the PUB's lap. The public utilities board has investigated it in Nova Scotia. It's been asked to investigate it in Manitoba.

How about the question of the food takeover? Is there a monopoly coming up now when we see the Woodward's/Safeway deal? These are types of areas that maybe a utilities board with expanded responsibilities could look into.

How about the whole question of vertical integration in util-

ity companies? Is it necessary for a power company to generate power, transmit it, and distribute it? Possibly we would get a lot more competition in some of these monopoly areas, particularly in natural gas and electricity and other areas, if we forbid the generator to own the transporter and the transporter to own the distributor. We often have distributors, of course consumer-owned in this province, but it might be nice -- if we have an Alberta Gas Trunk Line to transport gas, maybe we should an Alberta electrical trunk. Maybe we shouldn't allow some of the generating companies now that had vertical integration all the way from coal and then into steam and to electricity into the transport of the main power lines right into the house. That, it seems to me, is inviting trouble. A Public Utilities Board could do very much in that area.

In conclusion then, Mr. Speaker, in supporting this motion, I think there's no question that the quasi-judicial board has to be made much more independent in its appointments. It could be enlarged when we do this investigation, to see whether or not the PUB could actually help create competition. Particularly for a Conservative government, it should have some attraction to them to see if they could not bring competition into those areas where competition doesn't exist now or doesn't appear to exist.

Thank you very much, Mr. Speaker.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Strathcona.

MR. WRIGHT: Thank you, Mr. Speaker. There certainly should be a review of the mandate of the Public Utilities Board. Of all the useless, expensive, under-thought about boards in the province, the Public Utilities Board takes the cake.

It's true that during the temporary aberration in thinking of the people of Alberta, lasting for the last 95 years or so, there should be such things as privately owned public utilities. Is it necessary to have one? But there's the rub, that it is completely unnecessary if your public utilities are publicly owned to have a public utilities board. The whole justification for having privately owned public utilities does not exist. Again, we come to this point, that Conservatives think they're great businessmen yet they tolerate the existence of such an illogical and absurd arrangement.

The whole *raison d'être* of capitalism, Mr. Speaker, if one wants to put it on a philosophic basis, is that in return for the risk taken with the capital, the entrepreneur can make a profit if his risk succeeds and lose some money if it doesn't. But in the case of a utility regulated by a Public Utilities Board -- or any utility, for that matter, unregulated or not -- there is no risk. No one is going to stop heating their house or using electricity. These things exist, and they have to exist as monopolies, otherwise they are inefficient. And there is just no justification at all for assuring profit to the people who take no risk but just put the money out. I mean, if a publicly owned utility wants to borrow money, let it do so and float bonds, but let there not be an assured return to the capitalist forever from public utilities.

The Alberta public utilities are and have been for 50 years the most profitable in all of North America. The biggest of them continues on the basis of a lie, Mr. Speaker. That lie was perpetrated in 1948 in the days when the Social Credit government stU had some spasms of being radical. The question of the ownership of the biggest of the public utilities was submitted to plebiscite. The people in the towns and cities of Alberta for the most part wanted public ownership, and in the country for the most part they didn't. But there was a considerable question

in the country and parts of the province as to the basis on which electricity was supplied to them. Calgary Power, you may remember, either because you were there at the time or from reading, as I've read -- the assertion of Calgary Power was that they would supply electricity at cost to farmers. On the basis of that, the plebiscite to take into public ownership the electrical utilities in Alberta failed. It failed by the narrowest of margins, Mr. Speaker.

I have just asked for the book, and if I'd had a little more time, I could have put my finger on it. I think I've just got it, right here. The results were, for the proposition -- all right, the proposition was the other way around: "In favour of the generation and distribution of electricity being continued by the Power Companies," 139,991; against, 139,840. The plebiscite was therefore lost to take into public ownership all the power companies by less than 1 percent; it was a fraction of 1 percent, Mr. Speaker. It took the United Farmers of Alberta 20 years to find out that when Calgary Power said that they were supplying electricity at cost, they included amongst the costs a reasonable return to the shareholders, which isn't cost at all in ordinary parlance. And so we come by the present anomalous state of public utilities on the basis of a misrepresentation by the biggest of them back in 1948.

Mr. Speaker, the Public Utilities Board has an impossible task to perform. On the one hand, you have some of the wealthiest corporations in Alberta, who have command of the greatest expertise in North America to justify their rates and to enable them as decently as they can to obscure the true measure of their profit. Against them, you have the Public Utilities Board and intervenors, who try and show that the profits are bigger than claimed, that inefficiencies are bigger than asserted, and try and hold the rates down. On top of that, there is the argument about what the guaranteed rate of return should be, Mr. Speaker. It's too one-sided an action altogether.

The hon. Member for Red Deer South can lament that it is difficult to intervene, but it is worse than difficult. It is impossible effectively to intervene in such an argument, because unless you have at your resource the finds that the power companies and the other utilities have to present the expert evidence that befuddles one by science, it is impossible to make your case. The fact is, if the public utilities are publicly owned, Mr. Speaker, it really doesn't matter precisely where the rates are set. Because if you're charging too much, well, it just means you make more money, and if you're charging too little, well, then you've got a good deal.

The aim is to have an efficient operation. A privately owned public utility has no incentive to have an efficient operation; its profits are guaranteed anyway. They must obviously appear to be reasonably well run so that there will not be too many questions asked as to whether a further profit could be achieved, but beyond that there is no incentive. I remember years ago a vivid illustration of this. I was dealing at the time with some private people who were soliciting business for their little collection company, and they had approached Northwestern Utilities, which is privately owned of course, to see if they could work on their bad accounts. And they'd approached the city of Edmonton, publicly owned of course -- obviously, they're publicly owned, but in respect of Edmonton Power, which is publicly owned, as you know -- to see if they could work on their accounts. The response from Northwestern Utilities was: "Well, there's provision made in our rate base for bad debts, so if we reduce our bad debts substantially, well, our profits stay the same because our rate base is reduced." And you can't assail

that argument, but it's typical of the problem of trying to get along with a privately owned monopoly. The response from the city of Edmonton, on the other hand, was much more responsible, because they said: "Sure. We give up on these debts. If you can make something of them, that's fine; then there'll be a bit of a return to leave to the people of the city."

And so you can multiply the inherent absurdity of the setup which the Public Utilities Board is attempting valiantly to administer. In my criticism of them I don't criticize what they're trying to do; it's just an impossible and absurd and unnecessary and ridiculous task. There shouldn't be privately owned public utilities. That would relieve us of the necessity of this expensive board and produce a good deal for the people of Alberta.

Now, in case one thinks, "Well, that's just the NDP spouting off; they'll nationalize everything" and so on, nothing could be further from the truth. There is a place for public ownership and there's a place for private ownership, and the argument is between our parties as to where that line is drawn. We all partake of some elements of the other these days, Mr. Speaker. This futile argument about the labels to be applied is just that: futile. It's what works best that counts.

The biggest public utility in Canada is Ontario Hydro, of course. It was founded by a Conservative government in about 1895, and I forget the exact name at the time, but that has proceeded on its way as an effective public utility providing good service. It startles people when they come to Alberta to find the really quite thoughtless way in which our public power services are delivered.

So I say, Mr. Speaker, by all means examine the mandate of the Public Utilities Board. I'm afraid it's like trying to sweep back the ocean to fiddle with the present setup. Let there be an examination, but let the terms of reference of that mandate include the very question of whether there should be any privately owned public utilities to supervise at all.

Thank you.

MR. DEPUTY SPEAKER: Hon. Member for Lloydminster.

MR. CHERRY: Thank you, Mr. Speaker. I listened with interest to the Member for Edmonton Strathcona and his remarks and his doctrine, if you want to call it that.

AN HON. MEMBER: Why?

MR. CHERRY: Why? -- yes. But living quite close to Saskatchewan, and for the many years which they had an NDP government, with their power rates, which on the farm we used to check back and forth -- "we" being the private utility which we were getting power from -- it was always that our bill was less than what the public utility bill was. I guess I look at it in the respect that it could be the type of government that was in there at the time. Thank God we've changed, because in those days the total population of Lloydminster itself was two-thirds in Alberta and one-third on the Saskatchewan side. Of course, that was one of the main reasons. There was no industry even in Lloydminster on the Saskatchewan side because of the type of government, and I can support that very easily.

[Mr. Payne in the Chair]

But, Mr. Speaker, I didn't stand up to talk on how good Alberta is, which I know it is, and Saskatchewan is coming along now because we have a much better government in there.

Anyway, Mr. Speaker. . .

AN HON. MEMBER: You're on a roll, Doug.

MR. CHERRY: Yeah. Getting on with Motion 219, last year I participated in the debate of Motion 201, which was brought forward to the House by the Member for Red Deer South. At that time I gave my support in principle to the concept that was proposed in that motion. I'd like to reiterate some of the points that I brought up at that time, specifically the definition of the purpose of the Public Utilities Board.

The primary purpose of the board is to ensure that customers receive safe and adequate services at just and reasonable rates for the customer and the utility investor. Obviously, there is some concern that this mandate is not being fulfilled or the issue wouldn't have reached the floor of the Legislature twice in the past year. In a way, the Public Utilities Board is already a consumers' advocate in the definition of its mandate, but that role is limited because the board doesn't have the resources to do its own research.

Interventions: who is involved and how much they cost is the root of the problem and the reason underlying this motion. I don't think we can argue that you can do away with interventions. Interventions are required so that the Public Utilities Board can properly discharge its duties. I don't think we can argue against witnesses who have technical experience and expertise, but I think there is a difficulty with requiring intervenors' concerns to be represented by legal counsel. I guess the difficulty, Mr. Speaker, is that public hearings have to be public. That means participation must also come from private citizens, and a majority of private citizens do not have the ability to shell out the kind of dollars that the average intervention might cost them. That is why last year I gave qualified support to the concept of a consumer advocate who could represent the interests of the private citizens who would not otherwise have the means to make an intervention.

I believe another reason that we should consider a total review of the Public Utilities Board mandate is because of the nature of the products the board makes decisions about. They are everyday things that we tend to take for granted. We take for granted the heat in our homes. We take for granted when we turn on lights; at least in my family when the children were growing up, they sure took it for granted, because I was always yelling at them to turn that light off or something that was costing me dollars, appliances and other conveniences of our homes that electricity will power. We take for granted the milk we have on our breakfast cereal even.

Because we take them for granted and realize that there is a price for these necessities of life, sometimes we too readily just accept what the price tag reads instead of questioning the cost. Some people don't just look at the price tag and pay whatever it reads; they are vigilant of the changes and want a justification for what appears to be unfair or unreasonable. Some of those people are private citizens who are discouraged from acting because they would have to take on what seems a costly monster. We need those vigilant people; the Public Utilities Board needs those vigilant people indeed. If those people are concerned but are hampered from acting, then as responsible legislators we must look at what hinders them and what may be wrong with the creature that we helped to create.

I thank and commend the Member for Cypress-Redcliff for bringing this motion before the House, and I'm happy to support this resolution, Mr. Speaker.

Thank you.

MR. SHRAKE: I welcome the chance -- actually, I don't really welcome the chance to speak on Motion 219, because it always spoils my sweet disposition every time I get thinking about the PUB. Anyway, the PUB sets rates, among other things, for AGT, and recently they had their Public Utilities Board hearings and Edmonton won some stunning victories. These are victories at the cost of all other Albertans. They won \$43 million in '85; the next is \$27.5 million a year from now on until some day they get more. At these hearings one of the very large users -- I guess the largest user of AGT services in the province is the city of Calgary, and they were not able to make a presentation at this because they don't own a telephone company. They own telephones and they pay the bills.

But AGT is a system which -- I guess the capital required for a utility is so immense and so heavy that you must continually pump money into your system or your equity in it starts going down. Or else if you don't borrow the money and you allow your equity to go down, you eventually end up with a system which is so outdated that it actually becomes an obsolete system, and AGT was doing pretty well there up until recently. And as far as any surplus money, a public utility has no surplus money. By the whole setup there is not a surplus of money. If there is a surplus of money, they overcharged somebody; that's the reason we have a Public Utilities Board. But anyway, it was supposed that they had a surplus of money, so Edmonton did come out smelling pretty good on this whole thing.

But there is a problem on this. The city of Calgary is the source where most of the long distance calls of the province of Alberta are generated -- not Edmonton; it's in Calgary. You go look at those towers down there; those towers are bigger than even the Legislature Building, believe it or not, and each one of them has phones, and they do produce a large amount of revenue. AGT has its head office here in Edmonton, which provides jobs and revenues here in this fair city, and Calgary down there is the largest user of that system. The city of Calgary doesn't mind the PUB being a little bit generous. I don't think the city of Calgary or any city in this province, except for ET, minds us putting a little bit in to subsidize our brothers out in the rural areas. And the rural areas can't pay too much higher rates; they are already paying a higher rate than the city, so you can't bump them up too much higher or they just won't be able to afford a telephone. Plus we've got another thing: we're trying to get them an equal system out there in the rural areas. We're going to give them individual phones, which -- you know, this is the 20th century; it's not a big deal. But there again, somewhere this has to be paid for, and it's going to go back onto the system again.

But anyway, the city of Calgary has tried to make their presentations, and they maintain a committee. They have aldermen and commissioners of the city and engineers on this staff. And they've got legal staff there for this committee for one thing, and that's to try to monitor the Public Utilities Board. It's a shame they sometimes can't really make their presentations to the board, and they don't always get fair treatment. In the last decisions here, the city of Edmonton made their case to the PUB, Calgary likely made their case, and it never came out, though, at this hearing that Edmonton charges a revenue toll of 8 percent. The city of Calgary would like to charge that 8 percent, especially considering that within the city the number of stations, poles, equipment, right-of-ways to that city is pretty immense; it's pretty heavy-duty stuff throughout that city. Yet

they don't come back and charge anything. They do get a small -- I mean small -- grant in lieu of taxes each year, but this has never been taken into consideration by our good old PUB. I don't know what we're going to do when we provide rural individual line service in the rural areas. That money has got to come from somewhere, and our PUB is going to have to take a very, very hard look at that.

I don't know why I feel eyes on me; I think there are some PUB people out in the gallery today. If they're up there, then I better tell them that they don't have to worry about Motion 219, because people like me will talk this to death. There's very little chance it will do anything. It will probably go down on the Order Paper, so they don't need to feel upset.

In fact, while we're on this type of topic, I really think that if I were an Edmontonian, the next time I went down to pay my utility bill or my telephone bill or my property taxes, I would just stop for a moment, maybe half a moment of silence, and say, "You know, I'm really glad that the Minister of Technology, Research and Telecommunications is an Edmonton M.L.A.," and just whisper softly, "Thank you, Les, for giving us a little break and saving us a few bucks there."

Anyway, I shouldn't dwell too long on that. Actually, I think the one I really get angry and upset about is if we ever discuss the ERCB. I really get upset when I think that we have a system out there, hundreds of millions of dollars that an idiot mayor of one city in this province chose to plunge beyond the point of turning back. He wasn't that dumb; he was smart. He sure fooled us guys. He built a system beyond ever turning back, and said: "But we've ordered all the stuff; we are committed to hundreds and hundreds of millions of dollars. You cannot tell us you do not need our power. Even if you don't need our power, you must plug us into the system, because if not, you will bankrupt us." And what do we do, the province? We're the bad guys. Anyway, they said, "Well, yes. Okay, we'll hold back the Sheerness plant." The Keephills plants are all on stage; they're ongoing. The Sheerness plant, most of your construction costs are up-front, and whether you run one generator or two generators, it doesn't matter; the bulk of the cost is up-front. They said: "We'll hold back the one. We won't go the efficient way. We'll hold one system back, and we're going to let this other system over here plug in, and later there'll be these hearings." That's what the whole Motion 219 is about today.

There will be hearings. And you'll hear the moaning and groaning, but they have allowed this system to go. We can't later say, "No, you can't plug into it," because it's already been allowed. It will reach somewhere around a thousand million, give or take a few million, that has to be paid for. Because of somebody's foolhardiness, every user of electricity in this province is going to have to pay.

The city of Calgary at one time really was looking good. They had worked out a system over the years. They didn't go into the electrical generating business; they just bought it. But they did within that city put up hundreds of millions of dollars over a period of years from the taxpayers of the city, putting in substations, their own poles, their own right-of-ways, their own lines, their equipment, trucks, and so on, and they bought their electricity at a good, low rate.

They got a small return back on the hundreds of millions they put into this utility. They got an efficiency going where -- during the daylight hours you don't use as much power. Some of these are hydro dams and power is available. So you get the old steel plant out there that is a heavy user of power to melt the

iron and steel. If you use it during the day, you get a cheaper rate. If you use it after a certain hour at night when everybody has turned their lights and television off and gone to bed, you get a cheaper rate. It was working good. But then we wanted to create what we call EEMA, Electric Energy Marketing Agency -- good old EEMA. After we got EEMA going, oh boy. So now they say, "Calgary, you're just getting your power too cheap; you're just too efficient." I keep thinking: well, if we really wanted to subsidize the areas that had the high power rates in this province, why didn't we just subsidize them and not go into this long system?

[Mr. Deputy Speaker in the Chair]

We now get another one of these annual report books, one more of these. I get so many of these that I think: holy smokers, how many agencies do we have that give us annual reports? Annual report '86-87, Alberta Electric Energy Marketing Agency. I think: holy smokers, we've got another agency; just what we needed. Anyway, this nice agency now has told Calgary, "You cannot have your cheap power any longer; we're going to have to raise your rates." And they're going to raise the rates. They're shielding us now, but the shielding is going to run out -- if Calgary hadn't squawked, they wouldn't even have put the shielding into place -- very soon, within the next two-year period.

Then we've got this massive mistake out here at Genesee. It's going to come on stream, and somehow we've got to pay off the hundreds and hundreds of millions that were wasted out there. If that plant had never been built, we would not suffer one brownout, one shortage within this province. And if we expanded this province, there's a big line coming out of B.C. heading in this direction that can be tapped into for all of the power that we can use within the next two decades. We didn't need this system. There's one fellow that went out and said that he wanted to be a hero. He's won the ball game, and we will suffer. We'll all have to pay for it, thanks to decisions, I guess, sometimes of our boards. I guess they have to look at realities too. Even if the leader of a city takes them into a bad mistake, we can't allow them to go bankrupt or suffer, so we'll spread that cost over all Albertans.

But I and many of you who are elected people here -- this is a decision we have no say over. Sometimes it kind of galls me a little bit, but I'm just hoping that two years down the road when this hits -- the shielding's coming off for Calgary -- we take a hard look and say, "It's not their fault." We'd better shield them for maybe 25 or 30 percent of the cost of their electricity because there are citizens in the city of Calgary that can't afford a jump like this. It's not their fault, and they shouldn't pay.

To the sponsor of Motion 219, I want to say: lots of luck on this. I hope we keep after this because you've brought up a very good point.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Beverly.

MR. EWASIUK: Thank you, Mr. Speaker. I rise to support Motion 219 and indeed commend the Member for Cypress-Redcliff for bringing this motion forward. There's no doubt in my mind that a review of the Public Utilities Board is required.

Now, I suspect that when the board was first established, the intent of that particular board was a viable one. The intent was to protect consumer groups and individuals, give them the op-

portunity to either appeal or intervene relative to price increases. However, certainly I think that over time the structure and obviously the mandate of this particular board has changed. It is a powerful board, and I think it has a great responsibility, as has been already stated. When they can dictate or at least suggest the prices of our gas and utilities or milk and bread, I think certainly these people have a great responsibility and must deal with the appeals put before them with much diligence.

However, a number of people have alluded to the fact that there appears to be no room for the average Albertan to partake in the interventions, and while we've talked somewhat about the rationale, the reasoning, for that, I perhaps would like to be more specific. My perception of the information and some knowledge of the operations surrounding the activities of the board suggest to me that it has become a domain, with due respect to my friends in the legal profession, of corporate lawyers . . .

ANHON. MEMBER: Expensive.

MR. EWASIUK: . . . expensive corporate lawyers and accountants and the other associated professions. It is obviously clear that the corporations, the companies that are requesting an increase in prices, can afford to bring the best before the board, and indeed they do. However, the best of course is very expensive but not necessarily the best for consumer groups and individuals. The amount of material that generally is presented, the documentation that is placed before the board has already been stated by the Member for Red Deer South. The volume of paper that is presented makes it almost impossible for an average individual to deal with or compete with.

The legal language that is before the board is confusing; the procedures are confusing, again primarily because of the high involvement of the legal profession. There is no longer a consumer's board; it's basically a corporation's board.

Someone also made mention that intervenors can in fact have their expenses refunded, again a commendable process that allows the individuals or groups that in fact go before the board to make their case and their expenses can be refunded. However, the board determines if the information provided before them was useful to the board and had any bearing in fact on the results that eventually will be generated. I'm not sure how frequently refunds are made. Part of that again reflects the rather gradual decline of participation of consumer groups and individuals in intervention before the board, to the point where I think the members that have spoken and the Member for Cypress-Redcliff, who presented this motion, are correct: there needs to be some redress of this entire board. In fact, as Saskatchewan has done, there might well be some rationale and justification in its total dismantling.

I think the total results that we are having now -- the inability of average Albertans to intervene, the cost factor, the confusion in the procedures -- require that the mandate of this board be reviewed. I think it's necessary, and I would hope that the members of this Assembly support the motion. I think it's one of the better motions that has been before us for some time. The average Albertan needs your and my support on this particular motion, and I encourage you to do so.

MR. DEPUTY SPEAKER: Hon. Member for Lacombe.

MR. R. MOORE: Thank you, Mr. Speaker. Well, it seems like when I get up to speak on some of these motions, my thinking

changes as I see the major support come from the socialists. Then I take a look at the motion, and I should have done that originally. I think we all should look a little closer at these motions, because normally with all socialist programs and socialist motions, they're all glossed over and look nice on the surface till you look underneath. I'm glad the hon. Member for Calgary Millican came in and sort of got underneath the gloss.

Mr. Speaker, there are of course two basic ways to control prices: marketplace forces -- that's competition -- or government intervention. Unfortunately, because the only practical way to provide many utility services is on the monopoly franchise basis, we must rely on some form of government decision-making to control the price to consumers. To name a few of those, it's our electricity service, our telephone service, our water service, natural gas, and even our milk price comes under that sort of situation.

Now, these utilities are usually provided by investor-owned companies. However, we do have in Alberta a framework, I guess you'd call it, for a fairly effective system in trying to keep investor-owned utility companies operating on a fair basis. The present Public Utilities Board Act in Alberta is unique, or almost unique, to Alberta. We have it here. It seems to be working, although today we have some of them questioning the results brought out about the operation of the Public Utilities Board.

Now, the advantages of our present system are actually twofold, Mr. Speaker. The structure and practice of the Public Utilities Board allow it to thoroughly examine the rate increase applications from our utility companies. They can look at all aspects of it. The board can look at all the costs behind the rate increase, and they may, if they think it proper, disallow cost items that do not apply or that should not be passed on to the consumer. Furthermore, Mr. Speaker, the board does this in open hearings. The public can attend; virtually any member of the public or any group or association can become an intervenor at any of these hearings. They can introduce evidence. They can question or cross-examine the utility company. They can look at the company's books.

There's another aspect of it that is unique to the Alberta system, I believe, and that is that at the end of the Public Utilities Board hearings the board can award costs to the intervenor. They are the intervenors' proper costs for preparing the intervention: for the lawyers, the research, and so forth. We heard all of it today. These costs are paid by the utility company, who passes them along to the customers, and we heard comment on that today. So the customer pays. What's wrong with that? That is acceptable in my position, Mr. Speaker, because it is the customer and not the general taxpayer who has had the advantage of the intervention, or should have had the advantage. So if the customer benefits and the intervenors are there on behalf of the customer, then the customer should pay the cost of that intervention. I don't think the taxpayer should be looked at for that.

So I look at it, and I say to you, Mr. Speaker: what is wrong with this system? I think the hon. Member for Edmonton Strathcona came up and alluded to the high costs. I think that's unusual for a man of his profession, because it's his profession that causes the costs. If it wasn't for his profession, we wouldn't have those high costs, Mr. Speaker. It's odd that he should bring it up, so I hope his profession is listening to him. I hope he practises what he preaches. No, I won't go into that. I hope he practises what he preaches: providing fair and adequate service for a fair and just price within his profession. That's all I

have to say in that area.

But let's look at what's wrong with the system. I think I see only two things -- and they're not that major either, Mr. Speaker -- that are wrong with our present system. I think, first of all, that too many members of the public assume that when a rate application goes to the Public Utilities Board, it is the Public Utilities Board itself that does all the research and asks all the questions to determine if the application is reasonable. But this is not so. The Public Utilities Board sits as a neutral party, a quasi-judicial board. It is not a policeman, and it should not be. You should not be policeman and judge both. That's one of the things that's wrong with the system. It's the assumption that the public places there.

[Mr. Speaker in the Chair]

The other one -- I think the second place where it's probably wrong is the role of the intervenor. He has a vital place there in making the system work. He can ask questions and so on, but he assumes that the Public Utilities Board is not neutral too. He assumes that he is more than a judge, and that is the second breakdown. The intervenor does it. So I think if those two wrong assumptions were cleared up, you'd see this operation working a lot more to the benefit of the public.

I think there are two things that could be done. First, the Attorney General, responsible for the Public Utilities Board, might instruct the board to take just a few more risks in awarding costs. I don't want him to go overboard at all or lose the ability to control the cost, but at least a little more encouraging to the intervenors to appear. The second might be for the Public Utilities Board to establish a preapproval process for intervenor costs, because the intervenor, Mr. Speaker, doesn't know until after the process is over whether he's going to get paid. So those are two areas we could improve.

I think the important thing is to make the system better to serve the customer so that Albertans receive fair utilities service and have confidence in the system, and I can assure you that public ownership is not the answer. Creating a new bureaucracy of consumer advocates does not sound too promising either. That's misguided enthusiasm on the part of even some of our members.

AN HON. MEMBER: No.

MR. R. MOORE: Yes. Our present system does work, and I say to you, Mr. Speaker, that we should just oil where it squeaks. We have a good system, a sound system, and it's there to work. We just have to bring it along, and it'll work on behalf of all Albertans.

MR. PASHAK: Mr. Speaker, I'd like to speak on behalf of the motion. I think it's an excellent motion. I think it's long overdue. We do need to review the mandate and the effectiveness of fulfilling that mandate of the Public Utilities Board.

But in saying that, I have some general concerns, first of all, with the whole question of what the mandate of the Public Utilities Board is. I just glanced quickly through all 46 pages of the Public Utilities Board Act, and nowhere is that mandate spelled out clearly. I think that could very well be the source of much of the difficulty that members of this Assembly and citizens in Alberta are having with the Public Utilities Board. It really becomes a question as to whose interest does the Public Utilities Board protect. Unless that is clearly set out and clearly

established, then I think we will continue to get decisions that really have the potential for setting Albertans against Albertans.

For example, the Member for Red Deer South mentioned the difficulty of making interventions at Public Utilities Board hearings. Although I have never directly made a presentation at a Public Utilities Board hearing, I have attended Public Utilities Board hearings, and I can attest to the fact that the process at those hearings is similar to ERCB hearings, the Energy Resources Conservation Board. I have made a presentation there, and it's very difficult, particularly if you're not a lawyer and if you don't have reams of research and backup material, to stand there and get into a quasi-judicial system with highly paid, well-trained lawyers.

So my suggestion for dealing with that problem would be to perhaps take a very, very small percentage of the utility bill that each consumer pays and put this into a fund that would allow for an effective consumer advocacy at Public Utilities Board hearings in the province of Alberta. Now, why would we need such a consumer advocacy? Because at the hearing that I went to -- and I think it would be similar for the PUB -- there was really no one speaking for consumers as consumers. At the ERCB hearing, for example, you had lawyers speaking on behalf of the oil companies, and that's fine. That's their right to do that. You had lawyers for the big utility companies, and in addressing the issues before that hearing, they were only concerned about supply and questions like that. They weren't concerned about the price that consumers would pay for getting gas that they would use in their homes, for example. I suspect that the same things occur at Public Utilities Board hearings, because in fact one of the decisions recently by the Public Utilities Board -- it wasn't a decision, but it was part of their statement as a result of a hearing: they were somewhat concerned. They expressed some concern at the fact that the regulation wasn't bringing about any real benefits so far to Alberta consumers.

The city of Calgary and the city of Edmonton are present at these hearings, and again they don't really argue in terms of bringing the best possible price benefit to consumers. In talking to some of the members of the city of Calgary's gas committee, they've explained why that's not their primary interest. They not only have to represent people that are using gas and electricity in the city of Calgary, but they also have to take into account the fact that you've got a lot of people employed by the oil and gas industry in the city of Calgary. They've got to balance returns to those companies against the lowest possible prices to the consumers when they make representations before the Public Utilities Board. So there is a need for a consumer advocacy group. I think that should be obvious to all.

Another issue I think is important. Why we need that consumer advocacy I think becomes fairly clear when we look at the nature of the evidence that's presented before the Public Utilities Board and the decisions they make therefrom. For example, the Public Utilities Board awards rate increases to utility companies or suppliers on the basis of their deemed assets. So a whole bunch of technical experts are brought in before the board to make presentations about the value of the deemed assets of these companies, and then rates of return are awarded to the utility companies on the basis of those values. At the present time, utility companies are getting returns in the neighbourhood of

16.5 percent on their deemed assets. So they're obviously making lots of money, so much money that Canadian Utilities Limited and its associated companies, for example, are talking about a half billion dollar investment in the Beaufort Sea. Now, I have some concerns about that. If they're taking money that they're making out of residential consumers in the province of Alberta and investing it in these high-risk ventures in the Canadian Arctic, what's going to happen to Alberta consumers if those risk investments don't work out?

I also was impressed by the Member for Calgary Millican and his statements about the way in which decisions that are made seem often to reflect the politics rather than the logic of energy questions. I would hope that we would have some greater opportunity in this Legislature to debate the issues that he has raised today.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Call for the question? No. Member for Ponoka-Rimbey.

MR. JONSON: Yes, Mr. Speaker. In view of the hour it looks as if I will only have time to indicate that with respect to Motion 219 I would certainly support this motion. To my knowledge and what limited research I've been able to do, the Public Utilities Board has never been subject to a thorough review. An agency of the government which has such extensive powers and over the years has had so many duties added to the list -- in fact I think it's become something of a catching place for problems and issues in this field that the government wants to deal with. I really think that the mandate and the responsibilities that we have given to this board need a thorough review.

I would like, Mr. Speaker, to have gone on to some of the specific concerns that I have, but in view of the hour I would move that we adjourn.

MR. SPEAKER: Having heard the motion by the Member for Ponoka-Rimbey, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

MR. M. MOORE: Mr. Speaker, the House this evening will be considering estimates in supply. I move that the House do now adjourn and that when it sits at 8 o'clock this evening it be in Committee of Supply until it rises and reports.

MR. SPEAKER: Having heard the motion by the Acting Government House Leader, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

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