

LEGISLATIVE ASSEMBLY OF ALBERTA

Tuesday, November 25, 1975

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

PRAYERS

[Mr. Speaker in the Chair]

PRESENTING REPORTS BY
STANDING AND SELECT COMMITTEES

MR. HORSMAN: Mr. Speaker, I move that the petition of the city of Calgary for a private bill, being An Act to Amend The Calgary Convention Centre Authority Act, be now received.

[Motion carried]

NOTICES OF MOTIONS

MR. TAYLOR: Mr. Speaker, I beg leave to give oral notice that tomorrow I plan to introduce a bill entitled The Cash Discount Act.

MR. SPEAKER: May the hon. Member for Drumheller have the requested leave?

HON. MEMBERS: Agreed.

INTRODUCTION OF BILLS

Bill 82
The Election
Amendment Act, 1975

MR. PURDY: Mr. Speaker, I beg leave to introduce Bill 82, The Election Amendment Act, 1975. The amendments set forth in this bill, Mr. Speaker, include many of the recommendations made by the select committee which reported to the Legislature April 11, 1973.

Other amendments not mentioned in the report are the lowering of the actual days of election campaigning from 39 to 28. We've also refined the advanced polling mechanism, where a person will not have to obtain an advance poll certificate from his

enumerator, but go directly to the returning officer where the poll is being held. It will also change the swearing-in procedure on the day of the election, in that the deputy returning officer and the poll clerk may swear people in by affidavit instead of them having people vouch for them.

There are many more amendments in this bill, Mr. Speaker, which I look forward to in second reading.

[leave granted; Bill 82 introduced and read a first time]

MR. FOSTER: Mr. Speaker, I move that Bill 82, The Election Amendment Act, 1975, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

INTRODUCTION OF VISITORS

MR. CLARK: Mr. Speaker, I'd like to introduce to you, and through you to the members of the Assembly, a group of 41 Grade 8 students from Our Lady of the Angels [school] in Fort Saskatchewan. I introduce the students on behalf of my colleague, Dr. Buck, who is attending a constituency function in Lamont this afternoon, a senior citizens' drop-in centre opening.

The students are in the public gallery and are accompanied by two teachers: Mr. Clem Charchun and Mr. Ron Hlady. I would ask the students to rise at this time and receive the applause of the Assembly.

MR. APPLEBY: Mr. Speaker, it's my privilege this afternoon to be able to introduce to you, and through you to the members of the House, a group of students from the Edwin Parr Composite High School in Athabasca, in the Athabasca constituency. With them this afternoon they have one of their teachers, Mr. Marvin Rogers, and their bus driver, Mr. Russell Plican.

It's a special pleasure for me to introduce them today, Mr. Speaker, because they come from a school where I spent many happy years as a staff member, and because among their group are one of my nieces and one of my cousins. I ask them to stand in the members gallery and be recognized by the House.

TABLING RETURNS AND REPORTS

MR. CLARK: Mr. Speaker, I'd like to file with the Clerk, Comments and Observations upon the Major Deficiencies in Syncrude Canada Limited; Environment Impact Assessment, prepared for the official opposition by Northern Environmental Consultants.

ORAL QUESTION PERIOD

Transportation Corridor

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier and ask what the government's position is with regard to the transportation corridor as outlined in the Athabasca Tar Sands Corridor Study.

MR. LOUGHEED: Mr. Speaker, I'd be happy to refer that question to the hon. Minister of Environment.

MR. RUSSELL: Mr. Speaker, I wonder if the hon. leader would repeat the question.

MR. CLARK: I'd be pleased to. I'd like to ask the minister: [what is] the government's position or the government's support for the concept of a transportation corridor as outlined in the Athabasca Tar Sands Corridor Study?

MR. RUSSELL: Mr. Speaker, the government has adopted that as a major policy direction for the first phase of it, that is the pipeline corridor from the Syncrude facilities to the Edmonton refining facilities for Syncrude. The Alberta Energy Company is using the corridor right of way to obtain the necessary land and easements for its pipeline. Some land has been assembled at what is called the Skaro junction. It's been a very useful document for us with respect to certain discussions we've had with the principals in the petrochemical Project A proposal.

MR. CLARK: Mr. Speaker, a supplementary question so there's no confusion with regard to the minister's answer. Would he confirm that land presently being purchased for the pipeline from the Syncrude plant down to the Edmonton area is in the designated corridor area?

MR. RUSSELL: Yes, it is, Mr. Speaker.

MR. CLARK: Mr. Speaker, I'd like to direct a further supplementary to the minister. Has the government removed the freeze on land purchases in other portions of the corridor? The minister will recall that his predecessor placed a freeze on land purchases. Has that freeze been lifted?

MR. RUSSELL: No, it hasn't, Mr. Speaker. At the present time, the Department of Environment is making some purchases in that portion of the corridor between the Skaro junction and Fort McMurray. Usually this is done in response to requests from the landowners. The bulk of the easement acquisition is being carried out by the Alberta Energy Company. As for the corridor east and south of the Skaro junction, no land purchases are occurring at the present time.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is it the intention of the government to bring forward legislation framed around the terms of reference outlined in the Athabasca Tar Sands Corridor Study? The consultants talked in terms of a transportation corridor act. Is it the government plan to bring forward legislation of that nature either at this session or the spring session?

MR. RUSSELL: Mr. Speaker, certainly not at this session. It's very difficult to say whether a major consideration like that would develop into legislation in time for a session as early as next spring, but certainly all the comments in that report are under ongoing and very active consideration by the government.

MR. CLARK: Mr. Speaker, one last question to the minister. I assume the government still supports the concept outlined in the consultants' report with regard to a corridor from Fort McMurray down to the Edmonton region and south to the Hardisty area.

MR. RUSSELL: Yes, Mr. Speaker, the government is committed very strongly to the northeast corridor concept. Through the summer months, we've been working very directly with the first participants who will be using the corridor, that is the Alberta Energy Company, with respect to the first pipeline.

Speed Limit Reduction

MR. PAPROSKI: Mr. Speaker, a question to the Solicitor General. In view of the federal government's announcement today proposing lowering speed limits across Canada to 55 miles per hour, will the minister and government now reconsider the stand, and support this proposal to lower speed limits in Alberta?

MR. FARRAN: Mr. Speaker, I can only enlarge on my answer of the other day. Perhaps the hon. Minister of Transportation can supplement this answer. The blanket reduction of speed by 10 miles an hour obviously has some practical enforcement problems. Our present speed limits are honored more by the breach than by the observance, and I'd first like to see if we can better enforce the existing speed limits, without a five mile an hour tolerance.

I understand enforcement problems with the new lower speed limits in the Pacific northwest of the United States are very acute. There's also been a problem of oversell with the most co-operative type of citizens in the United States, who now drive far slower than the posted limits and thus pose almost as great a hazard on the roads as the fast driver. Safety experts say the safest situation is a uniform speed. We've also got to remember, particularly in this province, that we must maintain a reasonable differential with

trucks, if we are to pass semitrailers in a safe fashion.

So far as Ontario is concerned, and the situation may be different there, I did mention that some observers think the fuel saving in the United States was attributable to higher gasoline prices, which meant less driving and less exposure to accident risk. But Ontario is the province that froze gasoline prices at the pump lower than anywhere else in Canada.

DR. PAPROSKI: A very brief supplementary, Mr. Speaker. Does the minister acknowledge that lowering the speed limit to 55 miles an hour is a safety factor as well as an energy conservation factor?

MR. FARRAN: Mr. Speaker, I reiterate that the safest situation is a uniform speed, but perhaps the hon. Minister of Transportation would like to respond.

DR. PAPROSKI: One final supplementary, Mr. Speaker. Does he say a uniform speed of 90 miles an hour would be satisfactory too?

MR. FARRAN: No, I think that's going from the sublime to the ridiculous, Mr. Speaker.

MR. CLARK: If I could direct a supplementary question . . .

MR. SPEAKER: The hon. Minister of Transportation appears to be ready to supplement the answer.

DR. HORNER: Mr. Speaker, just to add to what my colleague had to say. We all appreciate that there are certain segments of our highways that, in fact, we're looking at very closely, because they're accident-prone and that's where a reduction in speed would be very useful. But I would point out to my colleague that I'm sure he as a medical man appreciates that our major concern has to be the attitude of the drivers in this province, because that's where we'll make the reduction in the kinds of accidents he's concerned about.

MR. CLARK: Mr. Speaker, I'd like to direct my supplementary question to the Solicitor General, and it flows from his comments about enforcement of the present limits. In light of that comment, I'd like to ask if he's had discussions with the enforcement agencies in the province, namely the RCMP, and as a result of those discussions, have instructions or directions gone out to the RCMP, in fact, to remove that five mile [per hour] tolerance the minister referred to?

MR. FARPAN: We are presently discussing more tactics on how the police can be better deployed for law enforcement on the road.

MR. CLARK: Mr. Speaker, a supplementary question. Perhaps I didn't make my question clear. Has the minister met with the RCMP, and secondly, have instructions gone out through the RCMP that there no longer

will be any tolerance over the existing speed limit?

MR. FARPAN: Mr. Speaker, [to answer] the first half of the question, discussions have taken place. The second half can be answered very simply by saying that we're still in the planning stage, and final instructions have not yet been issued.

MR. MUSGREAVE: Mr. Speaker, I'd like to ask a supplementary question on the matter of conservation, which I think the minister didn't answer fully. Is the minister not aware that automobile manufacturers in most instances suggest that if you travel at a lower speed -- say, 50 to 55 versus 65 to 75 -- the saving in fuel consumption is considerable?

The other question I'd like the minister to answer is: is he going to take data with him to Ottawa to refute what the federal Minister of Energy might have on this particular problem?

MR. CLARK: The answer is, no.

MR. NOTLEY: The answer is cut short.

MR. FARRAN: Mr. Speaker, the answer is, first of all, we will make our own decisions in the light of Alberta's special circumstances. On the question of saving fuel consumption by driving slower, I accept that that may well be true and would recommend that all members of the Legislature drive less rapidly in future.

DR. WARRACK: Drive uniformly . . .

MR. TAYLOR: A supplementary to the hon. minister. Has the federal government been wrong before when it shoved its nose into provincial matters?

[laughter]

Marketing Boards

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Premier. It follows perhaps from the Member for Drumheller's comment about the federal government shoving its nose into provincial business.

In the light of Mrs. Plumptre's ongoing attack on farm marketing boards, can the Premier advise the House whether the government has obtained assurance that farm marketing boards, producer marketing boards, will not be brought under the control of the price and wage board?

MR. LOUGHEED: Mr. Speaker, I would prefer to take that question as notice, as a number of ministers have left today to attend meetings in Ottawa where that very matter will be dealt with and discussed, or I should say at least discussed, if not dealt with. I'd be happy to review the matter with the Minister of Federal and Intergovernmental Affairs so that he could respond to the hon. member when he returns.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Premier. Has the Government of Alberta defined its own position yet with respect to control of producer-controlled marketing boards by the federal board, both in the province and elsewhere?

MR. LOUGHEED: Mr. Speaker, I think we've made it quite clear that it's fundamental to our view in Alberta that farm gate prices do not come under the federal anti-inflation program. As for the definition or determination of the implications of that position, which is very firm with us, regarding marketing boards -- there is, of course, a wide divergence in marketing boards -- I think the answer is better responded to as with the hon. member's first question: when the ministers return from Ottawa.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. Can the Premier advise the House whether or not Alberta would withdraw if, in fact, agreement is reached -- if provincial marketing boards, and I cite as an example the Alberta Hog Producers Marketing Board, were brought under the federal board? I'm asking whether in contingency plans, unilateral withdrawal from the province would take place if Mrs. Plumptre's incessant campaign succeeds in bringing provincial boards under, as well as federal boards.

MR. LOUGHEED: Mr. Speaker, I really can't respond to that question except to say we made it abundantly clear when we had the first ministers' meeting on October 13 that the exclusion of farm gate prices was fundamental to the Alberta position.

Being an agriculture-based economy here, it's very important that our farmers have an opportunity to obtain full market prices. Over the past decades or so, that has not been the case. We think that with the cost factors our farmers are suffering under, it's extremely important they have the opportunity to have prices reach whatever levels possible. That's our overall position. I wouldn't want to go further than that. These discussions are under way right now. We will see what comes about in the next 48 hours.

Credit Card Accounts

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. Has he received any reports on whether banks or other issuers of credit cards in Alberta are charging interest on a credit card holder's unpaid balance, for which an itemized statement has not been sent to the customer as a result of the mail strike?

MR. HARLE: Mr. Speaker, I have had no indication that such is taking place, no.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Has the minister's depart-

ment been monitoring newspaper ads in Alberta papers regarding payment of credit card accounts? If so, does he have anything to report on possible misleading statements being made by credit card issuers?

MR. HARLE: Mr. Speaker, I will take notice of that, because I haven't personally seen the advertising.

Postal Service

MR. LYSONS: Mr. Speaker, I'd like to direct a question to the minister in charge of Government Services. In view of the continuing mail strike and the resultant slow-down of government services, has he given any thought to laying off any of his staff?

MR. SCHMID: Mr. Speaker, there's presently quite a service going which delivers government mail between Calgary, Edmonton, other points of the province, and the treasury branches. However, we have to re-evaluate all these arrangements as the mail strike continues.

MR. APPLEBY: A supplementary, Mr. Speaker. I wonder if the minister could let us know what arrangements are made at the local treasury branches for distribution of this mail once it's received. I know a letter was sent to me, and I haven't got it yet.

MR. SCHMID: Mr. Speaker, these arrangements are, of course, usually for other government agencies and not private persons. However, as it's regarding an MLA, I will check into it.

Red Deer River

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Environment. Has the government made a decision yet to control the flow on the Red Deer River?

MR. RUSSELL: Mr. Speaker, public hearings with respect to a proposal involving construction of a new dam are now under way in a variety of communities along the length of the river.

Native Constables

MR. R. SPEAKER: Mr. Speaker, my question is to the Solicitor General. What is the stage of development of the training program for native constables in Alberta?

MR. FARRAN: Mr. Speaker, eight native constables are presently undergoing training in Regina.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Upon completion of pro-

gram, will the constables be stationed only on reserves, or outside also?

MR. FARRAN: Mr. Speaker, they'll be fully-fledged members of the RCMP who will be deployed anywhere in Alberta by the Assistant Commissioner in charge of K Division.

Meeting with NFU

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture and ask whether members of the cabinet, including himself, will be attending the meeting sponsored by the National Farmers Union, I believe on Thursday of this week.

MR. LOUGHEED: Mr. Speaker, I'd be pleased to answer that question. We received a message on Thursday, directed to myself, from Mr. Dascavitch, I believe, of the National Farmers Union proposing that we should have meaningful negotiations by attending a mass rally on Thursday, November 27. We responded on Friday, November 21, by telegram from the Minister of Agriculture, to the following effect:

The Premier has asked that I acknowledge your telegram of November 20 and has asked me to meet with you to hear your current proposals. Unfortunately prior commitments at the Opportunity North Conference and the Alberta Wheat Pool preclude my meeting with you on Thursday. Would you consider the alternate date of Friday, November 28th?

This morning I received a telegram from Mr. Dascavitch as follows:

Regret Minister of Agriculture unable to attend Capilano rally Thursday Nov. 27th. Am anticipating you and other members of the cabinet will be on hand to hear and to respond to our representation.

I am today sending the following response to Mr. Dascavitch:

It will not be the intention of myself and members of the cabinet to attend your rally on Thursday, November 27 in the absence of the Minister of Agriculture. We regret you did not accept his offer to meet with you at another time because of his prior commitments on November 27.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Agriculture. If I can just have a word of explanation: as I understand it, the Minister of Agriculture suggested a meeting on Friday.

My question, Mr. Speaker, is: was that meeting to be with the members of the National Farmers Union as a group or as a delegation? What was to be the format of the meeting suggested in your telegram?

MR. MOORE: Mr. Speaker, basically I simply advised them that on Thursday, November 27, I would be in Peace River at the Opportunity North Conference, and that evening in Calgary, and asked them if they might consider the alternate date of November 28 for whatever type of discussions they might have in mind.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Was the suggestion of the Friday meeting to be a meeting with the officials of the National Farmers Union as a group, or with other groups of people interested in the cow-calf situation?

MR. MOORE: Mr. Speaker, perhaps it would put the matter in focus if I again read the telegram sent from my office on Friday evening in reply to a telegram that morning addressed to the Premier from Mr. Dascavitch. My reply was as follows:

The Premier has asked that I acknowledge your telegram of November 20 and has asked me to meet with you to hear your current proposals. Unfortunately prior commitments at the Opportunity North Conference and the Alberta Wheat Pool preclude me meeting with you on Thursday. Would you consider the alternate date of Friday, November 28th?

MR. NOTLEY: Mr. Speaker, one final supplementary question. Has the government given any consideration to either the hon. Premier or the hon. Minister of Agriculture meeting with all the various groups -- Unifarm, the National Farmers Union, and the Canadian Cattlemen's Association -- to discuss the cow-calf situation?

MR. MOORE: Mr. Speaker, on Friday last, I met with representatives of Unifarm, the Western Stock Growers' Association, and the Alberta Cattle Feeders Association. On Friday evening last, the hon. Minister Without Portfolio responsible for rural development met in Grande Prairie with members of the Peace River Stock Growers Association at its annual meeting. On the previous Friday, a week last Friday, I met with both regional directors of the National Farmers Union. In addition to that, Mr. Speaker, I've been in touch a number of times with Mr. Dobson Lea, the president of Unifarm.

Frankly, Mr. Speaker, I can't think of any more farm organizations in Alberta that we haven't met with during the course of the last two weeks to talk about the problems in the industry.

MR. CLARK: Mr. Speaker, supplementary . . .

MR. SPEAKER: Possibly the hon. Premier has a supplementary answer.

MR. LOUGHEED: Mr. Speaker, since I referred to these documents, I think they should be tabled in the Legislature.

MR. CLARK: Mr. Speaker, that was the first part of my supplementary question. The second part to the Premier is this. In light of the exchange of telegrams, is the Premier telling the Assembly it will be impossible for any of the Executive Council to attend this meeting in Edmonton on Thursday with representatives of the group from the National Farmers Union? [Although] the Assembly will not be in session, no member of the Executive Council -- the acting Minister of Agriculture or someone -- will be able to attend?

MR. LOUGHEED: Mr. Speaker, we made it abundantly clear, and the telegrams, I think, are absolutely clear, that we would have no intention of meeting in the absence of the Minister of Agriculture. We suggested another day. They did not accept the suggestion.

Municipal Boundaries

MR. CLARK: Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. The question flows from the report of the boundaries committee that has recommended that people in the Warburg area should now find themselves in a different local jurisdiction or municipality.

My question to the minister is: has he asked the boundaries commission to meet with representatives of concerned people in the Warburg area regarding their rather unexpected situation of finding that they may well be in another jurisdiction, and they had no opportunity for any input to date?

MR. JOHNSTON: Mr. Speaker, the question of the Warburg area has not been brought to my attention, although I have had considerable discussion with the MLAs in that area. This would be a reasonable request, Mr. Speaker, and I will advise the director of that committee accordingly.

MR. CLARK: Mr. Speaker, I wonder if the minister would also be prepared to give the same kind of direction so the people in the Genesee area would have the same opportunity to meet with the members of the boundaries commission.

MR. JOHNSTON: Again, Mr. Speaker, I can weigh that and discuss it with the committee chairman.

Lethbridge Community College

MR. GOGO: Mr. Speaker, a question to the Minister of Advanced Education and Manpower, and a follow-up on a question asked last week about the rather abrupt dismissal of the president of the Lethbridge Community College. Was this an action or policy of his department, or indeed an action of the board of governors of the college?

DR. HOHOL: Mr. Speaker, The Colleges Act under Part 3, Section [45], Subsection (2), dated 1969 and amended in 1970, reads as follows: "The college board shall appoint the president and prescribe his tenure of office and [prescribe] the remuneration to be paid [by] him by the board."

It's clear then, Mr. Speaker, that the board of governors of this or any college has the responsibility and the duty to hire and to terminate appointments of presidents. In the case of the Lethbridge Community College, this board of governors exercised its prerogatives to both engage and disengage a president.

MR. GOGO: A supplementary, Mr. Speaker. Is the minister aware that the said president has lodged a court action?

DR. HOHOL: It's my understanding, Mr. Speaker, from a letter by the president to me, that it was his intention to launch a suit in the courts.

Klondike Days Midway

MR. TAYLOR: My question, Mr. Speaker, is to the hon. Minister of Agriculture. Has the Edmonton Exhibition Board been in touch with the hon. minister regarding a replacement for the Royal American Shows for next year's Klondike Days?

MR. MOORE: No, Mr. Speaker, it hasn't.

Nursing Home Fees

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Hospitals and Medical Care and ask whether he is in a position today to advise what the status is with respect to semi-private rooms in provincial nursing facilities in the Province of Alberta.

MR. MINIELY: Yes, Mr. Speaker, I am. I was going to report at the end of the question period. The general rate for semi-private rooms in nursing homes will be increased effective January 1 from \$5 to \$6. I believe yesterday the hon. Member for Spirit River-Fairview indicated figures of \$3 to \$6. Basically, the rate generally will go up the same amount as the normal rate, which is going up from \$3 to \$4 on January 1.

I believe, Mr. Speaker, the hon. Member for River-Fairview may be referring -- and I'll check that out further -- to a unique situation which exists in St. Paul. St. Paul has been renting semi-private rooms up to this point for \$3 a day, but they are, in fact, classified as semi-private rooms. Up to this point, they have been giving them to the resident patients at a ward rate rather than charging them semi-private rate. In the case of St. Paul, the board now finds it no longer can do this, and they must charge the semi-

private rate. But this is unique, as far as I know, to the St. Paul nursing home.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is it true the per-bed subsidy which has been increased from, I believe, \$12.75 to \$15 a day will in fact be reduced to \$14 a day as of January 1?

MR. MINIELY: Mr. Speaker, I think it's important for the hon. member to realize that the increase from \$12.75 per day to \$15 per day was largely a result of very substantial salary and wage settlements in the hospital system and subsequently in the nursing home system. So if you like, of the total amount the government adjusted effective April 1, 1975 -- which would be the \$2.25 the hon. member refers to -- nearly 100 per cent was related to the salary and wage area. Considering the fact that Alberta does have the lowest co-insurance charge of any province in Canada, and in fact will still be close to the lowest in Canada -- either first or second -- after adjusting it upwards \$1, we felt we would adjust the co-insurance charge by \$1 commencing January 1, then lower the provincial contribution from \$15 to \$14.

MR. NOTLEY: Mr. Speaker, a further supplementary question to clarify in my own mind there will be a reduction from \$15 to \$14 as of January 1. The question I would pose as a supplementary question, Mr. Speaker, to the minister is: what provisions will there be to accommodate wage increases during the forthcoming year? Will that result in an increased user charge during 1976, or will the government be prepared to reassess the per-bed subsidy?

MR. MINIELY: Mr. Speaker, that's a decision the government would make after the amount of actual settlements in the nursing home area is actually known, which certainly won't be until the new contract is negotiated.

The hon. member is correct in the fact that increased costs, whether in the wage area or in supplies and service areas in the nursing home, would require on April 1 or the next fiscal year either another increase in the provincial contribution or an increase in the co-insurance charge, or a combination of the two.

MR. NOTLEY: Mr. Speaker, a further supplementary question. In the light of concern among people in nursing homes, will the hon. minister give the House the assurance there will be no further increase in the co-insurance charge or, in fact, the user fee, at least during the period of Alberta's role in the price and wage guidelines?

MR. MINIELY: Mr. Speaker, three or four times in reply to the hon. member I've indicated I think the senior citizens in Alberta realize they have, not just in the nursing home area but in many other areas, by far the most substantial benefits of any province in Canada. To say again in reply to the hon. member, Mr. Speaker, senior

citizens I'm sure also appreciate the fact that in the specific nursing home area, they have the lowest rate of any province in Canada. I'm sure senior citizens who are in nursing homes, when they compare with any other western province, would appreciate that fact.

So I don't think, Mr. Speaker, it's my position at this time to make any conditional statement relative to the future of co-insurance charges in the climate that exists right across Canada and the fact that in other provinces the rates are much higher.

MR. NOTLEY: Mr. Speaker, a further supplementary question. In the government's contingency plans for financing nursing homes, what considerations are now taking place regarding the co-insurance or, in fact, the user fee? Is one of the options an increase in the user fee to make up higher costs during 1976, such as higher wages, for example?

MR. MINIELY: Mr. Speaker, throughout the questioning in this area, I think the hon. member seems not to appreciate another factor that exists in the nursing home area. That is that it's really a combination of health care and accommodation, so that residents of senior citizen homes or nursing homes are provided accommodation and nursing care. So I think using the terms the hon. member has used without consideration of that fact would not be appropriate in policy terms.

I think I indicated earlier that, as with anything else, there is nothing at the present time I actively have under consideration in terms of any adjustment in the co-insurance charge, other than the policy statement already issued that the charge will be increased by \$1, effective January 1. But, depending on what happens to cost in the future, Mr. Speaker, certainly and I the cabinet and government will have to consider whatever the increased costs end up being, then in fact how those increased costs are to be paid for. I think I can't make any commitment beyond that at this stage.

MR. NOTLEY: Mr. Speaker, one final supplementary question. Will the government at least give consideration to retaining the current per-bed rate of \$15 a day and eliminating the extra \$1 user or co-insurance fee, as a deliberate policy to cushion the impact of rising prices on the aged and the sick?

MR. MINIELY: Mr. Speaker, I'm certainly prepared to give that consideration and should say that, in fact, would be one of the alternatives I was referring to, in replying to the question earlier.

Hospital Services Commission Per Diem

MR. MINIELY: Mr. Speaker, while I'm on my feet, I wonder if I could answer another

question that was raised by the hon. Member for Spirit River-Fairview in the debate or committee study of The Hospital Services Commission Amendment Act. The hon. Member for Spirit River-Fairview asked about the comparison between the per diem paid the members appointed from the public to the Hospital Services Commission [and that of] the MLA.

Public members appointed to the Hospital Services Commission are paid at a rate of \$175 per day. The average meeting time of the Hospital Services Commission is a day and a half. So I think, to put it in context for the hon. member, Mr. Speaker, one could say that the public members, on average, would be earning about \$225 per month as per diem or honorarium for their participation on the commission board, as compared to the MLAs' maximum ceiling of \$100. Of course, the public member [gets] substantially more than the appointed MLA.

AEC Shares Sale

MR. GETTY: Mr. Speaker, I just want to provide an answer to a question asked of me yesterday by the hon. Member for Spirit River-Fairview. He asked how many corporations or individuals might have applied for the full 1 per cent maximum in the Alberta Energy Company issuance of shares. I've checked that matter, Mr. Speaker, and the answer is, none.

DR. HORNER: Mr. Speaker, before we go on, I would like to get the unanimous consent of the House so that at 5:20 we might have Royal Assent to Bill 52.

HON. MEMBERS: Agreed.

ORDERS OF THE DAY

WRITTEN QUESTIONS

188. Mr. R. Speaker asked the government the following question:

- (1) What is the purpose of alterations to CFCN Broadcast House in Calgary for ACCESS?
- (2) Is \$14,830 the projected total cost of such alterations?
- (3) From what appropriation will such alterations be funded?

MR. KOZIAK: Mr. Speaker, that question is acceptable.

199. Mr. Clark asked the government the following question:

- (1) How many research studies were commissioned by the Government of Alberta, its commissions, board, or agencies in

(a) January 1, 1974 to March 31, 1974;

(b) April 1, 1974 to March 31, 1975;

(c) April 1, 1975 to October 31, 1975?

(2) How much did each study cost the Government of Alberta, its commissions, board, or agencies?

(3) What was the purpose of each study?

(4) What were the names of the firms or individuals to which the studies were assigned?

MR. FOSTER: Mr. Speaker, that question is acceptable.

210. Mr. Taylor asked the government the following questions:

With reference to the program of maintenance orders and recovery of the Department of Health and Social Development, during the fiscal year ended March 31, 1975:

(1) With reference to recovery of costs for unmarried mothers and their children born out of wedlock:

(a) How much money has been recovered from the fathers?

(b) How much public money was expended in looking after these mothers and children?

(2) (a) How much money was recovered from parents and husbands whose dependents were maintained at public expense?

(b) How much public money was expended on these dependents?

(3) How much money was recovered from public assistance overpayments?

MR. TAYLOR: Mr. Speaker, I beg leave to withdraw this question with a view to clarifying parts of it, and then I plan to resubmit it as a motion for a return.

HON. MEMBERS: Agreed.

MR. SPEAKER: The question is withdrawn.

MOTIONS FOR RETURNS

193. Mr. R. Speaker proposed the following motion to the Assembly:

That an order of the Assembly do issue for a return showing:

For the fiscal years 1973-1974 and 1974-75, each public opinion survey commissioned by the Government of Alberta, listing:

(1) the department or agency of the Government of Alberta for which each survey conducted;

(2) the person, persons, or company each survey;

- (3) the subject of each survey; and
- (4) the cost of each survey.

[Motion carried]

196. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:

- (1) A description of each gift to persons, governments, or companies, outside of Alberta, arranged for by the Alberta Export Agency and paid for by the Government of Alberta, including:
 - (a) the exact nature of the gift;
 - (b) the value of the gift;
 - (c) the recipient of the gift; and
 - (d) the date the gift was transferred to the recipient.
- (2) A list of contracts with, or purchases by, any of the persons, governments, or companies mentioned in No.(1) subsequent to their receipt of such gifts as mentioned in No.(1).

[Motion carried]

200. Mr. Mandeville proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
Copies of reports which were submitted to the government as a result of the following research studies which were outlined in Sessional Paper 150/74:

- (1) Study, "To review present capabilities, potential for growth, demand and need for expansions in the area of fine and performing arts; to propose plans for growth, efficient use of resources and mechanisms for future planning and implementation." Firm: L.W. Downey Research Associates;
- (2) Study, "To mount an 'external' evaluation of the Athabasca University pilot project in learning systems development with the intent of providing feedback to the project itself and of informing the Department periodically regarding the progress of the report." Firm: L.W. Downey Research Associates;
- (3) Study, "New product development -- e.g. foot long egg -- Two Hills." Individual: R.A. Matherscn;
- (4) Study, "To investigate and recommend on the feasibility of trout farming in Alberta." Firm: Lombard North Group Ltd. Ferguson, Harrison and Assoc.;
- (5) Study, "Preparation of a manual to examine methods of marketing Alberta's agricultural produce and recommendations of improvement of techniques." Firm: The Sibbald Group;

- (6) Study, "The objective of this survey was to determine the amount and distribution of damage by snowshoe hares to conifer plantations in Alberta." Individual: Dr. Keith;
- (7) Study, "To conduct comprehensive micro-study of the Kananaskis Road Corridor to determine its impact on the environment and to consider potential recreation development." Firm: Lombard North Planning Ltd.;
- (8) Study, "To review the scientific literature relating to the establishment and operation of day care centres." Individual: Dr. R.A. Briggs;
- (9) Study, "Situation sample of former inmates of correctional institutions (employment, welfare, reincarceration)." Firm: L. Downey Research Associates;
- (10) Study, "To develop an effective inexpensive procedure of transport pricing in Canada." Firm: Hu Harries & Associates;
- (11) Study, "Evaluation for the next 15 year period of the economic viability of the manufacturing of chemicals in the Province of Alberta from natural gas." Firm: Associated Engineering Services Ltd.;
- (12) Study, "Independent analysis of advantages of the tax environment of Alberta." Firm: Woods Gordon & Co., Clarkson Gordon & Co.; and
- (13) Study, "Emerging North America Oil Balances, considerations relevant to a tar sands development policy." Firm -- W.J. Levy Consultants.

MR. MANDEVILLE: Mr. Speaker, I would like the consent of the House to withdraw this motion, as a majority of these are now made public.

MR. SPEAKER: The motion is withdrawn.

207. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A copy of the Energy Resources Conservation Board Report dated on or about March 31, 1975 concerning the significance of incentives to the development of supplies of oil and gas in Alberta.

[Motion carried]

208. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A copy of all correspondence between the minister responsible for native affairs and officials of the federal Department of Indian Affairs and Northern Development concerning fund-

ing of the Calgary Urban Treaty Indian Alliance.

MR. BOGLE: Mr. Speaker, I move Motion 208 be amended by adding at the end of the question, "subject to the concurrence of the officials of the federal Department of Indian Affairs and Northern Development concerning funding of the Calgary Urban Treaty Indian Alliance."

MR. NOTLEY: Mr. Speaker, very briefly, obviously the amendment will go through. However, I would just briefly register this caveat, that it's my understanding that some of the concerns of the people who have brought this to my attention really relate to the actions of the department that will now have the latitude to determine whether the correspondence will be released. So I certainly don't agree with the purport of the amendment, and I think it will seriously reduce the significance of the original motion for a return.

[Motion as amended carried]

209. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A list of all cheques issued and/or accounts outstanding as a direct consequence of the European mission showing, in each case, the person or agency involved and the purpose for the payment.

MR. FOSTER: Mr. Speaker, in the absence of the Government House Leader, might I ask that this matter stand?

MR. SPEAKER: Does the Assembly agree to the request by the hon. Attorney General?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion will stand.

MOTIONS OTHER THAN GOVERNMENT MOTIONS

1. Mr. Little proposed the following motion to this Assembly:

Be it resolved that, this Assembly refer to the Standing Committee on Law and Regulations all regulations made pursuant to provincial legislation which affect mobile homes and mobile home parks, with direction to consider such regulations and to report thereupon, with recommendations, at their earliest convenience.

MR. LITTLE: Mr. Speaker, thank you for the opportunity to speak to Motion No. 1. On several previous occasions I have expressed to this Assembly a very deep concern for the plight of the mobile home dwellers in this province. This afternoon I should like to enlarge on that concern and, with your leave, propose possible solutions to

their problems.

Although I shall suggest legislation to relieve the distress of this rather unfortunate group of citizens, I recognize that legislation by itself is no long-term solution to their problems. I fully embrace the concept that supplying enough facilities to provide competition is the only long-term solution. Therefore, Mr. Speaker, I applaud the efforts of the Minister of Housing and Public Works to make lots available for mobile homes on a purchase basis.

When I refer to the problems of the mobile home dwellers, I refer particularly to: (1) excessive rents; (2) eviction without cause; and (3) entry fees, which are frequently assessed by gouging owners by means of a clandestine arrangement with the mobile home dealers.

The reactions to mobile homes vary widely among different peoples and different groups. The chief objection to mobile homes, particularly in rural areas, would appear to be due to their appearance. To many they seem ugly and out of place; to others, however, their appearance is quite acceptable.

The land commission of Prince Edward Island, in a recent report, expressed the opinion that mobile homes are filling a role that is left unfulfilled by the more conventional types of homes. They further felt that to discriminate against a particular type of house solely on aesthetic grounds would be morally questionable, and legally impossible to enforce.

However, mobile homes are filling a major need in the housing shortage of this country. In 1963, they formed only 2 per cent of the home starts in this country. Ten years later, the figure was up to 10 per cent, and our most recent estimate is that mobile homes form 29 per cent of all home starts in this country. Therefore, it is a group that we cannot ignore.

The mobile home industry also fills a substantial need in providing employment and adding to the gross national product. In 1973, it was a \$250 million industry, and our most recent estimate is that this industry is over \$300 million. The largest market for mobile homes appears to be in British Columbia and in Alberta.

A major problem the industry has always faced is its unsatisfactory image in the public eye. However, a recent survey indicates the majority of Canadians now accept the view that the mobile home is a viable and reasonable answer to our housing problems.

The Land Use Commission of Prince Edward Island -- which I referred to a few moments ago -- recommended that mobile homes on single lots should be treated, first, as normal single family dwellings; and secondly, they suggested that if mobile homes are to become an accepted style of housing in this country, there should be considerable improvement in the design of mobile home parks and mobile home subdivisions. I believe this is a major area in which we could consider legislation.

I would like to enlarge on my statement of excessive rents. In Calgary, where

there are over 1,800 mobile homes at present, all rents are in excess of \$100 per month. When I say rent, they are merely renting the piece of land on which the mobile home sits. In addition, they pay city tax.

I would like to compare that with the situation in the United States. Approximately a year ago, I was in the Phoenix area. I visited a number of mobile homes there, which are much more attractive than ours, and provide much better services. Their rents ranged from \$35 to \$65 a month, and, as I say, [they] provided more service. However, the major difference is, there were vacancies in every mobile home park in that area, which provided competition and therefore controlled the price.

I would also like to explain further about eviction without notice and its implications. In all mobile homes in this area, there are no vacancies. Therefore, space is at a great premium. Landlords evict without cause. The mobile home has practically no value when it is off the lot, that is, out of the mobile home park, and these landlords force the tenant to remove the mobile home from the park at eviction time. This is where the next portion of the entry fees comes in. The landlord contacts a mobile home dealer, and sells these pads to him. The prospective buyer must then travel around to a great number of dealers to determine who has space available. Of course, this dealer adds the price he paid -- sometimes several thousands -- to the price of the mobile home, in order to enter. The prospective tenant pays this without protest, because this is his only method of getting into the park.

However, we have another problem now, in that he has no assurance of tenure. Within a few days, weeks, or months, he can be evicted once again without notice, required to remove his mobile home from the park, and the merry-go-round has started all over again.

What would I like to propose? The first proposal I would like to make to this Assembly is that all regulations pertaining to mobile homes in this province are rather piecemeal. We have provincial legislation. We have municipal legislation. Many of the counties have legislation. Sometimes they superimpose one another. Sometimes it's duplication, but it is not effective legislation. I believe it is this piecemeal nature that allows owners and landlords to circumvent.

We also have the problem of unscrupulous dealers. I would respectfully suggest that both dealers and salesmen be bonded and screened. From my personal knowledge of this problem, a great number of unscrupulous salesmen have entered this field at the present time and are taking advantage of the buyers.

From the other side of the coin, if we are going to control the sale, we also must control the quality. In viewing the provincial and municipal regulations, I find the quality control regulations are not adequate. We had a number passed by this Legislature in 1971. We're certainly aimed

in the right direction. But once again, we come across this problem of piecemeal legislation. Therefore, I believe the only solution for legislation is one act that encompasses all the problems of the tenants, dealers, and salesmen.

Why should I suggest a particular act, in that we have a number of acts at the present time? The principal act that we lean on is The Landlord and Tenant Act. I believe this act is being reviewed at the present time, because it's apparently quite out-of-date. It is the only act that even approaches the problems of the mobile home dweller. But I would suggest it is so badly out-of-date, with the unique problems of the mobile home dealers and tenants, that they require an act of their own. It is not entirely clear whether some other act, such as the proposed unfair trade practices act, will provide these controls; but, once again, I am rather doubtful.

The recommendation of the motion is, of course, to review all legislation that is presently in the province, with a view to the relief of the problems of both sides. My final recommendation is that they be incorporated in one act.

We also appear to have a great problem in the province with the planning boards, which have, on more than one occasion, expressed distaste for what they classify as apple-box construction of these types of homes. As I indicated in the first portion, the land use board of Prince Edward Island has apparently overcome a great deal of this type of attitude. The B.C. government at the present time -- if I may mention that government -- is reviewing its legislation, and the Ontario government is taking similar steps. So I think it may be said, Mr. Speaker, that a number of governments recognize there are rather singular and unique problems facing the mobile home industry, and the mobile home dweller in this country. With respect I suggest the motion be adhered to.

MR. NOTLEY: Mr. Speaker, in rising to take part in this particular debate, the hon. member cited the example of British Columbia and almost lost the motion in the process. I'm going to speak in favor of it, so I'm sure that should do the trick, and we should see the thing decisively turned down by the other backbenchers.

Notwithstanding that initial comment, Mr. Speaker, I certainly welcome the motion introduced by the hon. Member for Calgary McCall. Quite clearly, it is a timely one. There's no doubt it's time we recognized the fact that a large number of Canadians either prefer mobile home living or, because of necessity, choose this type of accommodation. I think it's important that we, as legislators, begin to assess some of the special problems which mobile home owners face.

Mr. Speaker, I'd like to say, just by general introductory remarks, that while this is not true in every case, mobile home owners generally are perhaps more vulnerable because of their situation. Those people who choose mobile homes in the first place often are working people who have

short-term jobs. I'm thinking, for example, of many of the construction workers who will live in the McMurray region, and will have mobile home accommodation because they want their families there. But they're not going to make a career of working in Fort McMurray, so the mobile home is particularly advantageous, especially to the younger construction worker.

Because that individual is working on a temporary basis, there is really less job security. In the absence of a proper number of lots in any given community, you have to put the mobile home some place, and as the hon. Member for Calgary McCall quite properly pointed out, the mobile home isn't much good to you if it is sitting out in the middle of the highway or in a field. You have to find a place to put it; and that reduces the bargaining power, if you like, of the mobile home owner, if he or she gets to a community where there are not adequate facilities available.

I should just say that in a number of the smaller centres in the Province of Alberta, some progress has been made with mobile home lots. I'm thinking of one of the communities in my constituency, for example, where the village itself set aside land for a mobile home park. The rental rates are extremely reasonable. As a matter of fact, when one looks at some of the complaints one gets from Calgary or even other parts of the province, the rates in this community are very attractive indeed. But certainly in the major cities we've seen some pretty horrendous increases in rents.

I am sorry that the Minister of Consumer Affairs isn't in the House, because during the spring session of the Legislature some discussion took place about rather substantial increases in one major park owned by a large firm in the city of Calgary. As a matter of fact, Mr. Speaker, the increases seemed just way out of line, in some cases from \$67.50 a month to \$125 a month as of September 1. At that time, the minister offered to look into the situation, to discuss it with the officials of the company, and report back to the Legislature. This debate at the present time would probably be a better opportunity for him to report his findings than the Oral Question Period with all the restrictions of the question period itself. Certainly I've had a number of complaints brought to my attention about increases in rent, and I'm sure other members have as well.

The member who introduced the resolution raised the concern of a number of mobile home owners, where eviction has either been threatened or takes place without just cause. Certainly there have been reports of threats where mobile home owners are attempting to organize a group. They have subsequently received, either directly or indirectly, the threat of eviction by the mobile home park owner. That, Mr. Speaker, is something which, in my judgment anyway, we shouldn't allow.

As to what should be done about it -- there is no doubt, in the long haul, the best way of dealing either with the rent

situation in apartments, walk-ups, or mobile home parks is to make sure there are adequate sites, that adequate accommodation is available. However, Mr. Speaker, in the absence of adequate sites, it seems to me that we have to look at the need for rent review.

I would suggest to the government -- I am, as a matter of fact, looking forward with interest to the rent review legislation that will be proposed in this House, presumably Wednesday of next week. But I would assume that any approach to rent review would also include the rent that mobile home owners have to pay in these various parks. It's my judgment, Mr. Speaker, that if one can make the argument for rent review in the field of apartments, the case can be made just as logically for rent review in the mobile home parks.

I would also like to see us with sufficient flexibility -- so that some of these rent increases which, in my view anyway, seem so excessive as to be unjustified -- that there be power to actually roll back rents. I don't argue that reasonable rates of return are necessary for the owners of mobile home parks just the same as the owners of any other kind of investment. But when I see the kind of increases which were brought to my attention by mobile home owners, especially from the city of Calgary during the spring of this year, I find it pretty hard to justify increases of 65, 70, 80, or 90 per cent as being justifiable and reasonable rent increases.

It seems to me too, Mr. Speaker, in addition to the concept of bonding, which the hon. member cited in introducing the resolution, there's a strong argument for a standard type of lease, where both the rights and the responsibilities are spelled out in a standard way, so we don't have people inadvertently signing their rights away when they deal with one mobile home as opposed to another.

I would just draw my remarks very briefly to a conclusion by saying that obviously the long-term solution to this problem lies in the recognition, first of all, that mobile homes and mobile home parks are going to be with us. Whether it offends the aesthetic values of some people is quite irrelevant. The fact of the matter is they're here to stay, and as the member pointed out, I believe some 29 per cent of housing starts this year were in the field of mobile homes. So we're going to have to make provision for adequate facilities.

I would suggest one of the things the Alberta Housing Corporation could do would be to set up parks in competition with the private owners. That's something which, over the long run, would make the so-called free enterprise system work more successfully than a situation where you have a complete lack of facilities, spiralling rents, and the owners of the homes are just really without recourse.

Again, I just say that a mobile home owner is not in a position to shop around in the same sense as people who own fixed homes. Because of the nature of their jobs

in many cases, they are in a position where they have to accommodate the demands of the owner of the park.

So I think it's high time we, as a Legislature, looked into this matter, and began to piece together the various regulations of the more than several acts which apply directly or indirectly to mobile home owners in Alberta, and I welcome the member's initiative in introducing this resolution. I hope it receives the support of the Legislature, but is not simply talked out so it goes to the bottom of the Order Paper. I hope it is actually passed by the Legislative Assembly and that the government acts upon it.

MR. HORSMAN: Mr. Speaker, I join the member who moved the motion in urging its support. I follow the previous speaker in speaking order only, because I certainly don't follow his political philosophy. However, as he said a short while ago when he spoke after me on the Kirby report, I'm forced to say I agree with almost everything he said today. So I can return the earlier compliment.

[Dr. McCrimmon in the Chair]

This is an area of concern to me, Mr. Speaker, because at the local level in the constituency I represent, there has been rapid growth as a result of the industrial development policies of this government. Smaller centres are growing rapidly in Alberta. As a result of that rapid growth, there are, of course, new people moving in. They must find accommodation and they must find it reasonably and quickly.

The particular area of mobile home developments has concerned me, Mr. Speaker, because I had occasion during the election campaign to call on every mobile home that then existed in my constituency. I was alarmed at the difference in the types of development evident in the various mobile home parks. I found everything from nicely developed mobile homes with trees, shrubs, grass, and flowers to just absolutely deplorable conditions where people were living in a sea of mud. I just couldn't express enough how shocked I was at this variation in standards.

So in regard to this motion, while I agree with what has been said, particularly by the Member for Calgary McCall, I do want to touch on two other points which I believe to be of equally great concern. The first relates to the question of financing mobile homes, and the methods available to those people who wish to develop a mobile home in this province. I certainly applaud the initiatives taken by this government through the treasury branch and the Alberta Housing Corporation, to attempt to alleviate, in some way, those financing problems. However, I do think our government should look very carefully at the other types of financing available to mobile home owners or developers.

It seems to me, Mr. Speaker, the same type of financing should be available for mobile home owners in a properly developed and designed mobile home park as are avail-

able to homes developed on deeded land or property. I would like to see consideration given, Mr. Speaker, to the concept that a mortgage would run with the mobile home and not be entirely the responsibility of the mobile home owner, and that his or her personal obligation must be satisfied upon the transfer of sale of that mobile home. That, I think, is something of very great concern to mobile home owners, because if they are forced to refinance, or the new purchasers of their mobile homes are forced to re-finance, it can add a considerable amount of cost to the new purchaser, in terms of increased interest rates and additional legal fees.

As I've said in this House before, I'm not against lawyers in this province being properly paid for the work they do, but I am opposed, Mr. Speaker, to unnecessarily adding extra legal fees to purchasers or vendors, as a result of being required to do extra legal work. I think, in this area, the type of legal fees that are sometimes unnecessarily added to the purchaser's responsibilities are quite unfair. So I would like to see this government take a very good, hard look at the financing problems faced by purchasers of mobile homes.

The second area I wish to touch on, Mr. Speaker, with regard to this whole question, is the regulations and the requirements this government demands of the developers of mobile home parks, in regard to providing water, sewer, electrical facilities, and other similar utilities, and the requirements with regard to paving roads, spacing between units, and so on.

This is, I think, a very serious problem and, as the Member for Calgary McCall has said, there is a wide variety of regulation throughout this province, whether you go from cities and towns to counties, to rural municipalities, to improvement districts, and, depending on the nature and attitude of the planning commissions, we find a very great difference from one part of this province to another. I should like to see the government move toward establishing uniform regulations with regard to the development of mobile home parks in this province.

I had an opportunity to do some reading on this subject, and it would appear, as already indicated, that there are provinces moving toward legislation and regulations. The Government of Ontario and, as has already been mentioned, the Government of British Columbia are moving in this area. In Ontario, in particular, during the spring, the Ontario ministry responsible for housing introduced legislation which would go a long way, I would suggest, toward alleviating the problems evident in that province, and evident here in the Province of Alberta.

Of course, that legislation dealt with The Planning Act, and I am hopeful that, when our new planning act is introduced, special consideration will be given to this question of mobile home development, and perhaps make it easier for mobile home developers to get their planning requirements dealt with so they can move quickly

into this area.

Mobile home developments, it seems to me, Mr. Speaker, are the types that should be dealt with rapidly, to accommodate the rapid growth that comes when you have the industrial expansion evident in this province in cities such as Fort McMurray, where it is really in an extreme situation, and cities such as Medicine Hat, where our growth was very rapid and will continue to be as a result of the industrialization of our area. I am sure the city of Red Deer and the surrounding communities will be very concerned with providing relatively quick and easy accommodation sites for mobile home owners.

Mr. Speaker, I should like, if I may, to quote briefly from the Regional Committee Canadian Federation of Mayors and Municipalities housing subcommittee report issued in Edmonton on April 17, 1975. It seems to me this quotation sums up, or states very well some of the problems relating to the question of mobile homes. If I may, Mr. Speaker, I will quote from their very comprehensive document covering the problems relating to housing in Alberta, particularly in western Canada. Section 8 Mobile Homes says:

It is recommended that a study be undertaken, on a national scale, of the effect in the future of the use of mobile homes as dwelling units and that the study include such matters as minimum standards for construction of the mobile homes, minimum standards for home sites and parks, their effect upon municipal taxes and policies for assessment of the structures.

Background

There is a great deal of confusion on the part of urban and rural municipalities as to the basic acceptability of mobile homes as permanent housing accommodation . . .

May I just interject at that point, Mr. Speaker. I think the hon. Member for Calgary McCall pointed out very well in his remarks the question of acceptability. Whether the municipalities, be they urban or rural, wish to accept it, mobile home development and mobile home housing is a fact of life, as surely as apartment dwellers are facts of life, as surely as are the single home owners facts of life. So they must accept mobile homes, and in doing so, Mr. Speaker, they must accept and come forward with new legislation and regulations to deal with this area.

Continuing with the quotation:

There appears to be some considerable paucity [I like that word "paucity"] of national construction and occupancy standards in relation to National Building Code and C.M.H.C. minimum standards for new houses, and while some communities have accepted mobile homes as part of their housing stock, they have not been able to develop comprehensive standards for their

maintenance and taxation. This may be largely the result of failure, by the Provinces, to provide the necessary leadership and legislation, but the problem appears to be nation-wide and possibly one where even the Provinces need guidance.

Mr. Speaker, it is clear that the provinces have the authority, under the ENA Act, to legislate in matters of property and civil rights. But I would suggest, Mr. Speaker, that contrary to the recommendation contained in this report, the Province of Alberta could indeed provide the leadership to the nation, in coming forward with appropriate legislation to deal with mobile homes, the standards of their construction, as well as the standards of the development of the mobile home sites.

If I may return to my first point for a moment, may I say this in particular; I honestly believe and urge that the Minister of Housing and this government give serious consideration to the very difficult problems facing mobile home owners and purchasers, in regard to the question of how they are able to finance their type of accommodation. To me, that is one of the most serious problems facing these Albertans.

Finally, may I say this. We have now developed in this province a very large manufacturing industry related to providing this type of housing facility. In my own constituency, we have two rather large mobile home plants. Interestingly enough, Mr. Speaker, these have been developed, one by a local individual who originally had some association in British Columbia. The other is a company which came to this free enterprise haven of Alberta to escape British Columbia, and the type of interference put upon business by the government which came into being there a few years ago and which hopefully will be replaced very shortly.

Mr. Speaker, I conclude my remarks.

MR. TESOLIN: Mr. Speaker, I too, would like to lend my support to this resolution. As housing needs become a more and more critical issue in many areas of Alberta, mobile homes have become a very acceptable alternative to conventional types of housing. The high costs of renting apartments and condominiums, shortage of mortgage funds, and high interest rates make mobile homes a good housing alternative.

As stated by Blaine Marler from the Department of Agriculture, mobile homes have the advantages of low cost per square foot, uniformity in standard, and low exterior and interior maintenance. In the past, mobile homes have been dealt with as temporary housing units. Because of this, little consideration has been given to permanent residential concerns, such as noise and environmental considerations. Therefore, it must be considered that residential areas would be a more satisfactory location for districts than unattractive commercial areas. To improve these environmental considerations, it is necessary to apply standardization that would improve the environment for the resident and make

the areas more aesthetic. The depreciation of areas can only increase if the people living there find the area depressing. It is therefore important to create minimum standards to satisfy these needs.

With regard to renting and selling lots on which to place a mobile home, regulations should ensure that a regulatory body be set up to prevent any hint of corrupt practices. It would be well worth our while to consider incorporating mobile homes under the new rent control legislation.

Mr. Speaker, large percentages of Albertans consider mobile housing a viable alternative. In fact, as the hon. member said previously, 29 per cent of all single-family home starts in the first 6 months of this year were mobile homes. Twelve per cent of all types of accommodation in the province are mobile homes. They can no longer be treated as temporary housing units. As these percentages indicate, in many instances people are using them as permanent accommodation. Therefore, Mr. Speaker, we should seriously consider incorporating any mobile home legislation under one act, taking into consideration number of lots per park, density, and general up-to-date development standards.

Thank you.

MR. PURDY: Mr. Speaker, I'd like to commend the hon. Member for Calgary McCall for his recommendations to review the existing legislation in regard to mobile homes. This resolution should receive the full endorsement of every member of this Assembly. It is long overdue, and something which too many departments have been ignoring for too long. I'm sure there are very few members in this House who have not had occasion to shrink from questions put to them pertaining to one aspect or another of the mobile home industry.

I am sure there are a few of us who would disagree that our legislation and regulations are a mixture [of ideas] hastily conceived to meet the immediate need. Most of the acts and regulations affecting mobile homes were not initially written for them. Instead, they were an afterthought. Few, if any, of these acts and regulations were drafted specifically to meet requirements of mobile homes. Rather, we appear to be quite successful in a bid to force a rather unique industry into a mold which we label conventional housing. It makes very little difference to me whether we label them apartments or single-family dwellings. As long as legislation makes them fit either mold for the moment, we have satisfied ourselves that we have done a good job. The result is, no one knows which mold they are supposed to fit into, and they don't fit either one very well.

I realize by endorsing this recommendation, we would ask a committee to attempt a formidable task. Legislation and regulations affecting mobile homes are scattered through every department and statute imaginable. I have found reference in everything from The Highway Traffic Act to The Planning Act, from the Alberta building code to the public health regulations. I

am neither a lawyer, or a researcher, so I have no idea how many references. But, Mr. Speaker, I am discouraged by what I have found.

Let me be more specific. First, I draw your attention to the health regulations respecting mobile home parks. They were published in 1969. While I am sure they were drafted with the best intention, they must have been redundant when they were published. To glance through the regulations, it's difficult to tell whether we know the difference between a private home or a campground. There is provision here for an adequate supply of toilet paper. What does this say to me? That we should be telling Carma Developers and Engineered Homes they should install public toilets in every new housing development, and make sure there is enough toilet paper? Ridiculous? I think it is. Surely we aren't expecting developers for lots of mobile homes in today's market place to comply with such outdated regulations. But I see nothing in these regulations to indicate they are not still in effect. What are we doing? We are just turning a blind eye and hoping problems like these will settle themselves.

Furthermore, wouldn't it be more logical to expect that regulations governing development of mobile home parks would be under the jurisdiction of the Minister of Housing? I doubt if the hon. Minister of Social Services and Community Health has the staff or time to properly administer regulations which seem so remote from the main thrust of her portfolio.

I have found one inconsistency in the existing acts and regulations. There are many more. For example, on one hand, we are asking mobile home manufacturers to comply with Alberta building codes by January 1, 1976. On the other, such regulations as the electrical code and gas [protection branch] regulations are now being changed helter-skelter.

Please don't misunderstand me, Mr. Speaker, I'm not opposed to change. But I'm wondering if changes we are imposing on the manufacturing industry are consistent with changes in mobile home lots. In other words, will the mobile homes fit the mobile home lots? If so, will these homes be livable? I'm not really too sure. There are many instances in this province where there is evidence of inequities. We only have to look at some sort of existing mobile home parks, and the homes those parks are attempting to accommodate, to realize how great these inequities are. The home complies with the regulations of the '70s, but the park complies with the regulations of the '50s. The problems created are complex, and a solution will no doubt be equally complex. But there can be no denying that a problem exists and must be dealt with -- and dealt with constantly.

Probably one of the most controversial acts pertaining to mobile homes which has been brought to my attention is The Landlord and Tenant Act. While we are all aware that this act is currently under review, I would like to add a further word of caution, Mr. Speaker, to ensure that

when the time for consideration of the new Landlord and Tenant Act arrives, it will adequately fulfil the requirements and reflect the unique aspects of the mobile home and the owner-landlord relationship in modern mobile home parks.

One section of existing legislation which I am most familiar with is The Municipal Government Act. I refer specifically to Section 226. In 1972, during the second session of the Legislature, I introduced a bill amending the act. This bill made for provisions for an all-encompassing change in the method of licensing mobile homes, and accordingly, the Minister of Municipal Affairs prescribed a licensing schedule. Now, three years later, that schedule, with a few modifications, is still in use. The general acceptance of this method of licensing has been quite good. In fact, it is rather satisfying to note that we must have done something right. I am told that other governments are patterning their mobile home taxation along similar lines.

But I am increasingly disturbed by the abuses I see. For example, Mr. Speaker, many hundreds of mobile homes are located in my constituency. Probably most are in compliance with the licensing schedule. Many, however, are not. They represent a loss of revenue to the counties in thousands of dollars. These are the homes which are creating the greatest problem for governments and the mobile home industry alike. These are the homes which are not generating their fair share of revenue. These are the homes which are causing, or helping to create, a bad image for all mobile homes. Yet they are caught in unfortunate circumstances. They are unable to locate in proper mobile home sites, parks, or subdivisions and have been set up in a semifarm operation.

This to me, Mr. Speaker, is an area of grave concern, more so because it is not a situation peculiar to my constituency alone. It is happening in virtually every rural constituency in this province. This problem is occurring primarily because the demand for lots has far outstripped the supply. So again, there is a problem with no simple solution. I expect it may be partially solved by the introduction of a new tax schedule for farming operations. A further solution may be a more comprehensive plan which would recognize the need to include more suitable accommodations for mobile homes.

A direct acknowledgement of the mobile home as a bona fide housing alternative has been made by way of inclusion into the recent amendments to the subdivision and transfer regulations. While it is premature to assess industry response, this must be a positive step toward acceptance of mobile homes in future housing plans for Albertans. It is also interesting to consider the prospect of mobile homes in a condominium concept, as was suggested to the condominium study group this past summer.

Together these contexts present a new perspective for the housing form. They also underline the need for review of acts

and regulations affecting mobile homes. They also increase interest which will further increase demand. The mobile home is gaining momentum in its acceptance in the market place.

To mention momentum, brings to mind another interesting point, Mr. Speaker. Momentum in this instance must not be confused with mobility. What we find happening now is that as consumer interest in mobile homes increases, statistics are showing a decrease in the actual mobility factor. What this means is that there is an increased prevalence of mobile homes being situated on permanent or semipermanent locations. These homes are now being marketed in a similar manner to a more conventional type of housing. Even so, the name mobile home becomes a [misnomer].

In this context we may be well advised to reconsider the relative merits of the mobile home appearing in The Highway Traffic Act. While it is undeniable that some controls must be maintained while a mobile home is being transferred to its site, the fact that a mobile home requires a licence while in transit has been a sore point with owners who maintain a mobile home. They say that it is a home, it is not a vehicle.

It is not my intention to anticipate the findings and recommendations of the proposed review committee, but I would be somewhat remiss if I did not point out, Mr. Speaker, that we might be well advised to go one step further at this time and suggest that new legislation for mobile homes be in order. Areas of concern which have repeatedly come to my attention indicate that this government has offered a few clear-cut guidelines which would allow mobile homes to be placed in a proper perspective in the total housing spectrum.

A person need not take more than a few hours looking at the mobile home situation anywhere in Alberta to discover that some rather shoddy practices continue to degrade them. I am assured, for instance, that the province has no provisions for proper licensing or control of retail outlets. How has this oversight not been rectified before now? I suggest that while we are considering tightening controls on realtors, we should also design a similar program of control for mobile home retail outlets. Perhaps in conjunction with such regulations, we might also consider requiring that retailers be bonded.

There is no provision for registration of liens or encumbrances upon mobile homes other than through the Motor Vehicle Branch on a voluntary basis. This oversight would appear to be unfair to retailers and consumer equally. I would also assume that such a lack of information may also be reflected in the higher interest rates levied for mobile home financing.

In my closing remarks, Mr. Speaker, I simply say that mobile homes have been and are meeting a demand. While we are faced with escalating housing costs and equally increased demands for more housing generally, we have not kept pace with the growth of industry which is of increasing help to us in meeting these demands, that of the

mobile home industry or, as they are correctly referred to, the factory-built housing industry. I am convinced that we must go one step further with this motion. We need not only to review and reassess existing acts and regulations, we may well need new legislation which would recognize and promote the viability of the mobile home.

Specific legislation dealing with mobile homes has been introduced with varying degrees of success in various areas of the United States. I understand that some of our Canadian counterparts have also conducted extensive studies with a view to enacting new legislation dealing specifically with mobile homes. Alberta has the most extensive mobile home manufacturing industry in Canada, and one of the largest mobile home populations.

Mr. Speaker, in my estimation, we might be well advised to devote time and energies to follow suit, and at least to pass this recommendation. We must recognize the mobile home as a vital part of our housing program in Alberta.

MR. JAMISON: Mr. Speaker, I wasn't planning to speak on this motion today, but having listened to the hon. Member for Calgary McCall and some of the concerns he expressed, I thought possibly a little cold water on this resolution wouldn't do any harm.

He mentioned some of the concerns of the rural people, but he missed one of the main points, in my estimation. Rural residents are very much concerned about mobile parks locating in a rural area, because it completely disrupts the whole area. It disrupts the representation on the county council or municipal council. It could happen. A mobile park of 800 homes with 1,600 voters in a division that has 300 farmers can out-vote them. The farmers today are becoming less and less in number, and I think this is a real concern to them.

Also, Mr. Speaker, mobile home parks can spring up almost overnight. My understanding is that if an area is subdivided and the approval is given, it takes anywhere from 2 to 3 months to have a mobile park on which 800 to 1,000 mobile homes can locate. It's a real problem for the school divisions and the school boards in these areas. It takes anywhere from a year and a half to two years to plan for a school. So you can imagine the cost factor, and the planning and disruption it causes in a rural area.

A couple of years ago I had the privilege of travelling to Marshall, a small town in Saskatchewan; in fact the only one in northwestern Saskatchewan that was growing. They had put in a new sewer system in that area. But part of the deal in the growth was the fact that they were locating mobile homes next to regular-type homes on residential lots. I would suggest to the hon. Member for Calgary McCall that the disruption in the rural area, and the using up of good agricultural land for mobile parks, would be solved by doing a little PR work with these small towns, villages and hamlets -- places where we do already have

some growth -- and locating in those areas which are vitally in need of more people.

Traffic, new roads -- you build a mobile park in a country area where you might see three or four cars a day. All of a sudden, that road becomes a main thoroughfare and it disrupts the complete traffic flow.

The hon. member mentioned the taxation. It is my understanding the difference between owning a pad and renting a pad is that if you rent a pad, the municipality receives the taxation but very little goes towards the schools. And schools today are a big cost to the people of Alberta. On the other hand, if you own the pad, you can then sell your trailer to anybody, or rent it, and you become a rental unit. I'm not saying it's undesirable to have rental areas, but it certainly makes for a different set-up than if you own your own home and are living in an area.

Recreation is another area of concern to the rural residents. They're not used to having a big influx of people overnight. They have their community halls and so forth, and certainly, if you move into the area, they like you to become part of the family of that area. But recreation becomes a real problem with them.

So, Mr. Speaker, I just wanted to point out some of these. I certainly understand, and am well aware trailers are a part of our life, the same as apartment buildings are in the cities; and I commend the hon. Member for Calgary McCall for bringing this resolution to this Assembly.

MR. ZANDER: Mr. Speaker, I just want to speak briefly on the resolution introduced by the hon. Member for Calgary McCall, and I think I have to take a look at the remarks that have just been made by the hon. Member for St. Albert. I think we have to view with caution some of the ways that we're going. I think he has illustrated that the mobile homes are the way of life in this province, and a cheap way of acquiring a home for people who cannot afford a permanent residence.

But the danger lies, as the hon. member has said -- and I will give you two illustrations. One is the mobile home park west of the town of Spruce Grove, which is in size, I imagine, about 600 mobile homes. Then we will take a look at another one that is situated just west of the city of Edmonton. I was a member of the council when it was first started. I'm talking of the Simms mobile home. All of a sudden this unit came in and was approved by the Edmonton Regional Planning Commission after quite a few trips, I guess, and after about a year of planning. In itself, there is nothing wrong with the housing or the mobile homes within the park. But, out of a piece of farmland, the area immediately became so large that there were between 400 and 700 units, situated in a rural municipality, which demanded school facilities, pavement, recreational purposes, and everything else.

I can agree with the hon. Member for St. Albert. I think, if the mobile homes

are situated close to a city or can be included within the boundaries of a city, town, village, or hamlet, the two would certainly complement each other. But to establish a trailer park out in the middle of nowhere creates problems for the municipalities relating to the education of the children -- and, as the hon. member just mentioned, it takes two years to plan a school. There is no way of knowing whether these people are going to be there three years from now, but we assume they will be. Consequently you build a school for a couple of million dollars, and all of a sudden discover that some of them have moved elsewhere.

I agree we have to have orderly development, but, Mr. Speaker, I can't help but feel there is a place for the mobile home way of life in the Province of Alberta. It's here to stay. Let's make no mistake about that. But I think they should be considered in the light of existing municipal facilities, before we put them out in no man's land, then establish a park, and say, we want all the amenities you can get in the city of Edmonton. It just doesn't work.

Now, Mr. Speaker, I think the resolution means well, if we can preclude this is the way we should go. But let's get back to the primary: how do these mobile homes come into existence? Let's look at the cities, the towns, and how they have to cope with the mobile parks, and why the cost has risen in some areas from \$60 per month to \$100 per month.

Mr. Speaker, in going back, if you as a person wish to enter the mobile home park or to establish one, you have to go to local government first to obtain their permission. They then submit it to the regional planning commission. The regional planning commission, which may be many miles -- and I mean many miles -- removed from the area, doesn't know what it's talking about, but maybe they do sometimes. It may take months, it may take years, because there are regulations and by-laws that govern the municipal local government.

There are also policies, guidelines, and regulations under the regional planning act. You also have guidelines, policies, and regulations under the provincial planning act. So, when a person commences to establish a business of this nature, the planning commission, in its wisdom, will then say to the developer, you can't have that mobile home in this area, you must go into another area. And so the battle goes on between the planning commission, the local government, the provincial planning commission, the regional planning commission, and, of course, the people -- as the hon. member has said.

It sometimes takes two to three years before the battle is resolved. Finally, we find the developer having to move into an area that is less attractive, where the cost of facilities is much greater. The demand of the planning commission says, you must establish paved roads, underground wiring, sewers, water, a host of other things, such as public and private washrooms, in this area. Sometimes the costs

get beyond reason, because the regional planning commission, in its wisdom, plus the local government regulations and policy guidelines, force the developer into a position where the costs are so great that he sometimes has to back out or pass the costs on to the future occupants of that trailer court.

Mr. Speaker, if we could only minimize the process between local government and the final decision through the provincial planning commission. I think the magnitude of the regulations, by-laws, and policy guidelines is so enormous that it sometimes takes two lawyers to untangle them all. I know, Mr. Speaker, in studying the provincial regulations, they are so massive that a layman or even a lawyer has to spend days researching, before he can come up with the answers. I think it's time we short-circuit these processes, so that local government, which has to live with the problem, should be the final judge of the result, not the provincial planning commission.

Now, Mr. Speaker, there are of course the changes in The Municipal Government Act. Also, there are changes in the regional planning commission. Personnel changes, councillors change, and sometimes ideas that seemed good two or three years down the line are no longer valid. But I would assure hon. members that if we could move the mobile homes into or next to an existing community where education, water, and sewers would be there for them, and they could partake in the recreational life of the community and be part of the community . . .

The other fear, of course, was also expressed by the hon. Member from St. Albert. In this case, in Division 1 in the county of Parkland, it is highly possible that of 700 or 800 trailer homes, suppose we take 700 and hope there are no bachelors in there, you have 14 electors in that division, and the rural area, then, only has around 300 or 400 of them. This is the other aspect. I don't think we should encourage mobile homes to go out in an area that is unserved, miles away from educational facilities, miles away from recreational facilities. Let's place them in a position that belong to the community and are part of an existing community that is established, and I think our problems will be minimized.

I think the hon. Member for Calgary McCall has touched on the regulations, and I agree with it. The magnitude of regulations pertaining to mobile homes is unbelievable. The red tape involved to get the thing in motion takes months, if not years. I think it's time we as a government considered the resolution before us. Certainly it will go a long way to putting the mobile home way of life in this province at least on par with regular homes in the Province of Alberta.

[Motion carried]

2. Moved by Dr. Buck:
be it resolved that, the Legislative Assembly urge the Government of Alber-

ta, in conjunction with the Government of Canada to:

- (1) re-evaluate and clarify the responsibilities of the municipal, provincial, and federal levels of government in the fields of municipal financing and administration;
- (2) introduce legislation which provides adequate, independent sources of revenue to municipalities, including personal and corporate income tax sharing and/or resource revenue sharing.

[Adjourned debate: Mr. Clark.]

MR. R. SPEAKER: Mr. Speaker, on a point of privilege, we've made a request to the House leader that Mr. Clark's name stand, so he's able to debate Motion No. 2, but that debate with regard to the motion continue. I request unanimous consent of the House for that procedure.

DR. HORNER: That's certainly agreeable to us, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, my request was just to make it possible that Mr. Clark could debate this particular resolution; however, we would like to have Resolution No. 2 go forward at this time.

MR. MUSGREAVE: Mr. Speaker, I'd like to join in the debate on this particular motion. Mr. Speaker, a brief study of Canada's history would reveal the rapid change-over from a rural-based economy with strong federal or provincial governments and small, relatively weak city governments, to a strong city-dominated state that exists in Canada today. For example, the city governments of Calgary and Edmonton have budgets amounting to several hundreds of millions of dollars and staffs numbering several thousands of people.

But most important, Mr. Speaker, is that city governments are responsible for creating the city home. They supply the water, they arrange for light and gas, and things of this nature. They are also concerned with protection of life and property. But these are essentially housekeeping matters. Removing garbage, cleaning streets, setting out traffic patterns: these are things common to all communities, be they villages or large cities. But the most important thing civic governments have to be concerned with is looking after the people in their city and protecting their neighborhoods. They can do this through the kinds of parks they develop, the kinds of recreation programs they have, their treatment of individual citizens, and the kinds of cultural programs they may provide for their citizens.

But to deal specifically with this motion, Mr. Speaker, I won't dwell on the lack of concern of the past government for the problems of the cities. I recall the treatment given to the study on transportation, welfare, and education commissioned by the previous government many years ago, and the response they made to it. I also

recall the response that was made to the study, prepared about seven years ago by various municipalities, called the Urban Crisis. It related to financing of our cities. Mr. Speaker, I won't dwell on the complete financial abandonment of the cities by the previous government, which took away the one-third share of petroleum revenues that used to go to the cities.

Rather, Mr. Speaker, I look on this motion as an opportunity for all of us to adopt a fresh approach to financing of governments we are able to create as a result of our power under the BNA Act.

[Mr. Speaker in the Chair]

The one point I do wish to make, Mr. Speaker, is that we should desist from the usual chit-chat that goes on between father and son when dad has all the money and the family car. The son needs the car and money for his date. Dad can supply the car and the money, but the important thing is to supply his son with an education to develop within him a frame of mind that will help him to accept responsibilities. Most important of all is that we cut the apron strings, get him out of the house, and make him responsible for his own affairs.

This, Mr. Speaker, is where we in the provincial governments have fallen down. We have not allowed cities to run their own affairs. We have not pioneered in setting new parameters. We have never yet convinced any cabinet of this province to give up any of its power to raise money and set the rules on how cities are to run their affairs. In other words, we want to keep this family relationship going which we all know would be disastrous for human beings, but we don't seem to realize the disservice we do to cities.

I'm well aware that many of us represent urban seats. But again, Mr. Speaker, there's no reason we can't come up with programs that are our responsibility, that we can then be charged with their failure or credited with their success. For example, hospitals are financed totally by the senior governments. Why not run them by boards appointed by the province? We have created large urban parks. Why not have them run by the province? We could manage the total education system. We could supervise all social service programs, as well as government housing. These are areas clearly within our jurisdiction, in which we are already heavily involved in various and financing programs.

According to Professor Salyzyn, a professor of economics at the University of Alberta, we can identify the important local fiscal problems and their causes. Mr. Speaker, I would like to deal with this very briefly, because I suggest to the hon. Member for Clover Bar, who's not in the House, that many of our problems could be solved in Alberta without spending too much time on the federal government, or on any input they may wish to contribute. The federal government has created a department of urban affairs. They have participated in trilevel conferences, which have met

with limited success. I should suggest, Mr. Speaker, that the success has been limited mainly because of provincial jealousies throughout Canada.

The one real problem or concern I have is that MLAs have not been able to accept the difficulties, complexities, or importance of urban governments. I have said earlier, Mr. Speaker, power is so dear to all politicians that few of us would part with any of it, but this debate should give us the chance to examine the fiscal problems of local governments.

According to Professor Salyzyn, the first category we consider is responsibility in balance, or put another way, the government that spends the money has no say in how the revenue is raised. The responsibility in balance becomes very severe when one level of government depends on financing from another through a grant system. The grant system leads to the undermining of accountability, cost control, and the setting of priorities. Misallocation of resources will always occur when responsibility for spending is not matched with the responsibility to raise the money.

Once the province decided to pay all hospital costs for the Calgary General Hospital, pressures from the administration and from the union members of the staff we had were tremendous. The four aldermen who represented the city found it almost impossible to resist these pressures, because they were continually advised that they were not responsible for raising the money. I appreciate that there existed some control in overall global budgeting, as exercised by the Alberta Hospital Services Commission, but at best, it is minimal.

Another area of concern is a benefit-cost imbalance. Local governments such as Calgary, Edmonton, Red Deer, or Lethbridge, to name a few, are often called upon to supply goods and services that yield benefits to rural citizens as well as urban. For example, the city of Calgary, on the average, has an ambulance on rural roads 24 hours a day, throughout the year. This includes services to major highways, or transporting people throughout southern Alberta, British Columbia, and Saskatchewan. Part of the \$1 million deficit enjoyed by the city of Calgary for this ambulance service in effect is borne by city taxpayers, who are providing a benefit to other citizens outside Calgary.

Fiscal inefficiency is another area that shows itself most clearly in poorly designed and administered revenue structures. For example, power rates, Mr. Speaker, are excluded from the federal wage and price control guidelines, yet the cities are adding huge increases to power bills to offset deficits that arise from protection of life and property. They do this instead of accepting the responsibility of increasing property taxes. Poll taxes, visitor taxes: these are all examples of fiscal mismanagement.

In the professor's view, Mr. Speaker, the best way to improve the fiscal problems of the cities is by clearly examining the services provided by each government. For

example, the city of Edmonton is embarking on a housing program whereby it plans to charge moderate rents, to alleviate the rental situation by building 1,000 housing units, which would cost roughly \$25 to \$40 million. Now, should the city of Edmonton do this? Does it have the mortgage capacity? It was a close vote by the council. Does it have the support of taxpayers? These are areas that should be clearly defined.

If [cities] were responsible for their own actions all the time and could not run to us, the province, to bail them out when they get into trouble, they would be very cautious before they embarked on such a program, with their limited financial resources.

In my view, Mr. Speaker, we require clear definition of community responsibilities. Education, health, welfare, major transportation corridors and facilities therein, should be funded and operated by the province. Similarly, social service programs and housing should be the responsibility of the province. While taking this approach, services such as parks, street maintenance, protection of property, fire, police, cultural activity, supply of water, light, and heat can all be administered by the cities.

If the services demanded by the citizens were paid for by them, and we excluded grants and other such devices, there would be two important occurrences. First of all, the people in the cities would recognize the value of the expenditures in their city for programs they want; and secondly, hopefully, they would be more careful in choosing their political leaders, if they knew they had greater control over the bills they would have to pay.

Mr. Speaker, with the rearranging of community responsibilities, we could make a massive overhaul of our money-raising system throughout the province. Business tax, inspection fees, juggling power rates, increasing ambulance costs, dog licences, bicycle licences, hawkers' licence: the list is endless. The reasons are sometimes valid, but they usually boil down to government control and government greed. The ability to pay, or whether the service warrants the tariff, does not seem to matter. Of course, to all of us, you must add the property tax, which accounts for 60 to 70 per cent of the total tax bill.

A simple solution, Mr. Speaker, would be to eliminate most of these taxes by increasing the personal income tax in the province, then a share of the taxes collected in a community could be rebated to the municipality. This is the practice in many European countries, where the importance of city government is recognized and it is given the financial aid to do the job. Studies show that most cities by obtaining 1 per cent of the income tax could, in effect, reduce 10 mills from the property tax.

Above all, Mr. Speaker, we should get away from the grant system, in any form, which was well described as being a means to create a spurious atmosphere of movement and inventiveness. Those of us who have

been on the receiving end of grants from a paternalistic province, consider them a patchwork response, whenever a crisis occurs. Grants create an atmosphere of something for nothing, and frequently end up in bickering between the grantor and the grantee.

Recently, the city council of Calgary advised the MLAs from Calgary that they could not stand too many more recreational grants from the province, because the operating costs of the recreational centres cannot be met by the communities building them or by the city of Calgary.

Finally, Mr. Speaker, I would refer the hon. member to the terms of reference for the Provincial Municipal Finance Council. Summarizing them, the first three items were: that they were to determine what services should be provided by the provincial and municipal governments, and how they should be funded; secondly, how should capital projects in the cities be financed; and thirdly, they should examine the municipal assessment procedures and taxation procedures. These, Mr. Speaker, are important challenges that face the council. When the council has reported to the Executive Council of the government, to the AUMA, to the MD association, and to the Alberta school trustees, I'm sure the response of all these groups or associations will, at the least, be interesting. Hopefully, it will see all of us trying to develop new solutions to an old set of problems.

If we put aside all political puffery, if we exhibit on all sides how we can get down to the job of keeping taxes down, of sharing fairly those that we do collect, and most important, seeing that the government closest to the people has a chance to provide the best services to the people, I think we will all be doing an excellent job as MLAs in this Legislature. Thank you.

MR. WOLSTENHOIME: Mr. Speaker, I am pleased to take part in this debate. Having been involved for 12 years in the administration of a town of 1,000 people, I feel I have a few thoughts I'd like to leave with the hon. members this afternoon.

I can see a great number of administrative problems in instituting some of the suggestions in paragraph (2). I am in favor of clarifying and re-evaluating, but there isn't any amount of clarification and evaluation that will suit all people. It just isn't possible, and I think most of the members of this Assembly are well aware of that fact. So, my recommendation is, let's not clarify too much, because it seems to me that every time we do, we lose a little bit more freedom.

One thing is certain, that those who are on limited incomes pay a larger percentage of their disposable income on property tax than those of a higher income level. So, let's be careful about it.

I'm a great believer in planning. A three- to five-year plan of budget and direction of the future of a municipality helps to avoid getting boxed into a corner. It wouldn't matter how much financial aid

some municipalities received, it would never be enough, because some of them just seem to be poor business managers.

I firmly believe the time isn't too far away when smaller municipalities will have to have sort of a town manager, and the council will serve basically as policy-maker. Not because the average councillor is incapable of carrying out his duties, but simply because he does not have time. In many small municipal governments, the aldermen or councillors are one-man business operators or employees, which makes it very difficult for them to take part all that they should.

I'd like to quote from the Task Force on Provincial Municipal Fiscal Arrangements in Alberta. The one says:

And the Task Force could see that even with the injection of vast sums from provincial general revenue, municipal assistance grants would have to be reduced to the point where little would be available for those in financial need and where those who had experienced over-generous grants in relation to financial strength might increase general mill rates to the point where the proposed relief would be nullified. And there would be little money left for movement towards proper assumption by the province of human resource programs other than education.

And another little gem here:

Parochial competition for industry can also do harm -- the city may be left with a shortage of industrial development to offset the cost of residential development. The surrounding rural area may be in a happier position.

Conflict between local authorities is inevitable unless such rationalization takes place. It cannot be fair that a town should house an industry's workers, while its taxes go to the sparsely populated rural area around it.

This task force also talks about the regional concept. I believe it has a lot of merit, but I'm not familiar enough with it to discuss it, so I'll pass on that.

A step-up in grants to municipalities in need has the effect of penalizing those municipalities that have practised good business routine, not just having their cake and eating it. A change of municipal districts and county boundaries to be coterminous with school, hospital, and health units has some desirable aspects, but I don't believe they're practical to implement.

In summarizing, Mr. Speaker, the town I was associated with was fortunate to have a good staff and good councillors. I was the mayor. Consequently . . .

[laughter]

By that, I mean I wasn't a councillor.

Consequently, it is one of the most

up-to-date towns, with paving, sidewalks, sewer and water facilities, excellent recreation facilities: all done without finding ourselves in a financial bind, asking the provincial government for more handouts.

Thank you.

MRS. CHICFAK: Mr. Speaker, I really [inaudible] use the line so often used in this House, I didn't intend to get into this debate this afternoon. But after a few remarks made by the hon. Member for Calgary McKnight, I felt I had to express the other point of view. By and large, I really do not agree with many of the arguments he presented, insofar as all were, I believe, in favor of cities having a very free and open hand in all aspects of governing major cities. Included in that would be a free hand as to the amount of financial assistance available.

I think the hon. member, if I recall correctly, indicated perhaps it was time provincially elected members determined that they should take a very brave stand, and allow a percentage of our natural resources to be allocated towards running what we might call, the two major centres. However, I think another side of the coin has to be brought to our attention, and into consideration with regard to this particular resolution.

As I see it, the resolution is directing that the re-evaluation . . . perhaps greater consideration be made, with regard to the Government of Canada determining what the province ought to do, how much self-government it allows, what responsibilities and funding, insofar as finances are concerned, is given to municipalities. Unless I'm reading this incorrectly, I agree, to some extent, with the requirement for re-evaluation. But re-evaluation totally, in what areas, the breadth of it, and what it's all to mean, is another point. Perhaps additional remarks may clarify that.

I just wanted to make the point that if we consider we should, in fact, allocate a percentage of our natural resource revenues to the two major centres now in this province, which are growing rapidly, I think we have to look, then, at what happens when the two major urban centres become accustomed to the style of living in their development when the percentage of revenues from our natural resources is extremely high. Because the moneys are there, the pressure will be there for added services which, perhaps, are not really necessary services, but are luxuries. But we soon become accustomed to living with them as though they were needs rather than luxuries.

What happens if the natural resources revenue decreases, as the possibility very much exists? The major municipal governments have then developed a lifestyle, or developed their boundaries to such a degree that the basic requirement of funding is beyond the percentage of revenue that would be allocated for operations of these cities. What do we have then? Do we have another New York situation? How do we cope

with it?

If we allocate the percentage of revenues from our natural resource revenues, how does the provincial government cope, or have some degree of control on how the entirety of the province develops its human resource, its development for keeping the population spread, the services and attractiveness available, and expands it throughout the province? How do you slow down? Or how do you tell major municipal governments the policies on which they embark draw the population more, and at a greater rate, from the rural areas, from the smaller centres to the large urban centres? What do you offer in the way of resolutions for those urban centres with regard to the social services that would then grow in need? Where do those expanded funds come from?

I agree that municipal governments should have control and be in a position to determine their policies and carry out the function intended. But surely we must look at the overall picture within the province. We must maintain that in order to have a healthy economy throughout the province, we must have some degree of direction as to the development location of industries.

If the total control of self-government in all aspects is passed over to the major municipal governments, we run the risk of allowing them to draw within their boundaries additional industries, the kind of development that would make the entire province viable. It would be concentrated. I think it would be difficult, then, to exercise a greater degree of influence in the direction and the boundaries of the major centres, as now exist. I think it would upset the overall balance.

With regard to a comment the hon. Member for Calgary McKnight had made, that the provincial government currently is giving so much assistance in grants and that, arising out of these programs, difficulties are now being experienced, an example was used that the cultural facility grants that were made available have caused problems. Many of these groups are not able to cover the cost of operations. With respect to that particular difficulty, if it exists, I simply have to say that one of the criteria or requirements in the groups' application was that they could provide an honest and fair assessment of the income they foresaw they could realize out of the facility; that they would be able to carry all operational costs for at least a period of five years.

Surely, if in the early stages of this program we are finding that some of these groups are having difficulties, then the municipal governments which, in fact, reviewed the applications and made the recommendations, either did an inadequate job of examining the applications and ascertaining that the information being provided in these applications was accurate and did appear feasible. If we do not consider that this was one of the responsibilities of the municipalities, in this very small type of example, clearly to use their prerogative, as given to them, in determining where the facilities ought to

be developed and where the funding would be provided; on a larger scale we have to examine, too, some of the other responsibilities, if the moneys are being made available without any degree of requirement of control, or completely in an open hand.

So, inasmuch as the resolution suggests a re-evaluation, I think these are always necessary and are always welcome, but to what extent and what ought to be the outcome of them, may be an entirely different point of view.

MR. ZANDER: Mr. Speaker, I see the hon. Leader of the Opposition . . . You're not going to speak? Thank you. Well, Mr. Speaker, I thought I would give him the chance.

Mr. Speaker, in speaking to Resolution No. 2, dealing with municipal financing, I can recall some years ago, and I think some hon. members . . .

AN HON. MEMBER: Yes, we remember.

MR. ZANDER: . . . in this House will also recall, when the former government had the one-third sharing of resource revenue. It had to depart from that, because it was coming that the senior government no longer was in a position to carry out its obligation with the other two-thirds of the funds; therefore, they saw fit to depart from that procedure.

So we find that municipalities -- and when I'm talking of municipalities, Mr. Speaker, I have to include all municipalities, such as towns, villages, and cities. It has been suggested by various representative cities, towns, and villages throughout the province that there should be some type of tax sharing within the province. Some of the suggestions that have come forward were for income tax sharing, resource sharing, and gasoline tax.

Well, I think we've tried resource taxation. It seems it hasn't worked under the former government, so we have to then exclude that and go to income tax sharing and gasoline tax sharing. We could have a municipality, and maybe a county -- and we have to include those, as well -- that would have various types of gasoline tax for its own use within its own boundaries. Consequently we could discover ourselves with a gasoline tax of 5 cents a gallon in the city of Edmonton. Once we got out of the city of Edmonton, we could get into the county of Parkland, the county of Leduc, or even in the town of Spruce Grove, and we'd find that they also would have the authority perhaps to apply an 8-cent gas tax to cover their expenditures. So, in fact, all the province, no matter where you'd go, would be paying the tax.

One interesting thing, Mr. Speaker, that I discovered when I was in Mexico, was that there is a county tax. The minute you leave a city boundary, that is erected on the highway, the county or the authority there collects per vehicle something like, I think it was, around 4 pesos for a passenger car, which is, readily speaking, 32 cents, and 10 pesos for buses, so you look at 80 cents. This is the way they

finance highway construction through these areas.

Now, in relating to the gasoline tax, I think this has to remain with the senior government. We could perhaps, in our wisdom, grant the cities, the towns, and the villages throughout, to collect this gasoline tax. But the collection part of it, we know from past experience, has been a costly undertaking. I think probably we can recall when the federal government imposed the 10-cent excise tax on all gasoline across Canada. It was submitted that 8 of the 10 cents would be the cost of collecting and distributing this back to the federal government. So really, you only gained 2 of the 10 cents.

We could also go into a sales tax. Maybe the city of Edmonton or Calgary that finds itself in difficulties could apply a sales tax on the goods and services it provides for the people who come into the city. But then we could also find a sales tax when those citizens of Edmonton returned to the country and found a barrier across the highway where the county would demand a certain tax to be paid by those going into the rural area. So really, we haven't gained too much.

I think perhaps a study should be made, just simply a resolution on the books, of where we go with this selective tax sharing, if it is to be called such; that privilege to be afforded, by way of legislation, to every municipality in the Province of Alberta.

[Mr. Diachuk in the Chair]

Then it comes to mind, of course -- I think we all are very familiar with the state of the city of New York, the leeway that has been granted to it to borrow and to spend beyond its limits. Of course it finds itself now at a point of no return and will have to go into receivership.

I think the senior government of the province, as well as the federal government, must apply certain spending guidelines, certain tax sharing agreements, whether you call it by way of grants, or other things. Approval of borrowing must be given by the local authorities, and the government must and is responsible for the actions of the city fathers, whether it believes it or not under present legislation.

So this brings me to the other part I wanted to touch on, Mr. Speaker. If we stop and evaluate what the provincial government has done since it removed the one-third share of the resources that went to the municipalities of the province, sometime I believe in 1970-71 -- in there somewhere -- and we take a look at the grants. I look at my own constituency, where grants to the municipalities have gone up from 300 to 400 per cent, some unconditional, some conditional.

We have taken over the school foundation program covering the home-owners of this province, and also those other apartments that supply shelter for citizens of this province. We have taken over all the costs of the health unit services that were

provided, which was previously on a 40-60 basis. We have completely taken over the social and welfare development in the province, which cost a considerable amount of money.

Of course, the other thing we have to remember: in the rural municipalities as well as in the urban municipalities, huge grants by way of the transport department, building and taking over the secondary highways in the rural areas for all intents and purposes -- it was limited to the 900 series. It's now, I think, in the 600 series, wherever a road is being used. I think we have to be fair to the minister. He has, on most occasions, lent a good ear where we had sound reason to believe the highway in that area was providing services other than to the residents of the area.

Then we have to take a look again, Mr. Speaker, at the amount of money we've poured into the rapid transit system in this city. I believe, Mr. Speaker, when we take all the benefits that have been derived, whether they have been by grants or direct programs to the municipalities, we've been most generous in most cases. I don't think we can be ashamed to say that it wasn't necessary. I believe we have to be responsible to the citizens of our province, no matter where they live in it. We have to recognize their needs.

Whether we go by the route of income tax sharing or whatever other source, that route we follow must be carefully planned so we do not jeopardize the powers of the provincial government or the local government. If we do that, if we can follow that narrow path and direct money into the system -- and if it be, Mr. Speaker, by way of a tax-sharing agreement with the province, then I think we will have every municipality -- we will have to withdraw some of the programs that we have now instituted and revert to tax-sharing of revenue with the municipalities. I think it's only plain and simple that there can't be both. I think we, as a provincial government, must stretch ourselves as long as the blanket. If we stick our feet out, they get cold. I think all other municipalities will have to do likewise, because there is no reason that we, as a government, and the local government can't certainly work together in a friendly atmosphere to try to resolve our problems.

[Mr. Speaker in the Chair]

Where government funding is necessary, I think the government should be prepared to fund that, rather than going to some other tax-sharing agreement and resource agreement, which we found was not accepta-

ble to the former government. I'm sure it won't work now. Mr. Speaker, when we have the population figures which were based on the one-third share of the resources, we found, I believe, Calgary had intimated that Edmonton had padded its population to the extent, and therefore should return the money. I can go along with the idea of fair sharing with all the citizens of the province, but I can't agree we should just enter holus-bolus into some tax-sharing agreement without having all the repercussions before us, and what direction we're going to go for the next 10 years down the line.

Thank you, Mr. Speaker.

DR. BACKUS: Mr. Speaker, may I adjourn the debate?

MP. SPEAKER: May the hon. member adjourn the debate?

HON. MEMBERS: Agreed.

ROYAL ASSENT

[His Honour the Lieutenant-Governor entered the Legislative Assembly and took his place upon the Throne.]

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present session, passed a bill to which, in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK: The following is the bill to which Your Honour's assent is prayed:

Bill 52, The Natural Gas Pricing Agreement Act

[The Lieutenant-Governor indicated his assent.]

CLERK: In Her Majesty's name, His Honour the Honourable the Lieutenant-Governor doth assent to this bill.

[The Lieutenant-Governor left the Legislative Assembly.]

DR. HERNER: Mr. Speaker, I move that we call it 5:30.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at 2:30.

[The House rose at 5:13 p.m.]