

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, April 18, 1973

[The House met at 2:30 o'clock.]

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 47

The Land Surface Conservation and Reclamation Act

MR. YURKO:

Mr. Speaker, I beg leave to introduce to the Assembly for first reading a bill, being The Land Surface Conservation and Reclamation Act.

Extensive public hearings were held by the Environment Conservation Authority as a prelude to this Act. Mr. Speaker, this is a major government bill and permits the government to regulate land surface disturbances in the entire province of Alberta.

There are many principles embodied in this Act, of which I intend only to mention two major ones.

First, land surface reclamation standards and needs will be extended substantially to most surface operations or surface disturbances.

Secondly, extended provisions are included in the bill to permit conservation --

MR. LUDWIG:

Mr. Speaker, on a point of order. I rise on a point of order that the principle of bills or a bill can be debated only in second reading, and the minister is in violation of the rules of the House if he debates or comments on the principle of a bill on introduction.

MR. SPEAKER:

It's true that the introduction of bills has become a little more lengthy recently, but it is difficult to say just to what extent the principle should be described to the House. I would say that as long as the major principles of the bill are all that are referred to and that they do not include any debate or shall we say, laudatory remarks of some kind which are in the nature of debate, the introduction is in order.

MR. YURKO:

Thank you, Mr. Speaker. As I indicated, it is a major government bill and I just wanted to explain very briefly indeed the two major principles that are involved. I was speaking about the second principle when I was interrupted.

As I indicated, secondly, provisions are included in the bill to permit conservation of land, as well as to implement preventive provisions to control land surface disturbances before approval is given to permit such operations. This part of the Act will only become operative by regulations passed by the Lieutenant Governor in Council.

The Act is intended to apply to all land in the province, with the following specific exclusions. This is a major policy consideration and that is why, Mr. Speaker, I would like to mention these exclusions:

First of all, subdivided land used or intended to be used for residential purposes,

Secondly, any part of any unsubdivided land that is the site of a residence and the land used in conjunction with that residence for residential purposes,

Thirdly, the preventive part of the Act does not apply to any agricultural operations or activities.

[Leave being granted, Bill No. 47 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. LOUGHEED:

Mr. Speaker, I would like to introduce to you and through you to the members of the Legislative Assembly a very important mission visiting our province and having discussions with our government. They are seated in the members gallery. They are the Japanese Mission on International Energy Problems. They have been having discussions with the hon. Minister of Mines and Minerals and the Minister of Industry and Commerce.

I would ask them to rise as I introduce them and then when I am through, perhaps we could welcome them to the House, Mr. Speaker: Mr. Kondo, the adviser to the Minister for Foreign Affairs, who leads the mission and is a former Ambassador to Canada; Mr. Sakisaka, the President of the Institute of Energy Economics; Mr. Saeki, the President of the Nomura Research Institute of Technology and Economics; Mr. Tamura, the former Ambassador Extraordinary to Saudi Arabia; Mr. Imai, Counsellor to the Japan Atomic Industrial Forum; Mr. Sugiyama, an official in the Ministry of Foreign Affairs; Mr. Enomoto, an official of the Ministry of International Trade and Industry; Mr. Tomitate, Senior Economic Advisor in the Institute of Energy Economics; Mr. Kotera, chief research officer in the Industrial Bank of Japan; and Mr. Shigihara, the Consul-General for the Japanese government in Alberta.

Can we welcome these distinguished gentlemen?

MR. CRAWFORD:

Mr. Speaker, I have a distinguished guest today, also from across the sea, whom I'd like to introduce to you, sir, and to the members of the Assembly. The gentleman is seated in your gallery and is in Edmonton in the course of a tour of the world under the auspices of a fellowship from the World Health Organization; at the same time as his visit to Alberta, he is also a guest of the federal government. This gentleman is Mr. Dimitri Dmitrov, Director of Industrial Hygiene Inspection for the Mining Division of the Department of Public Health in Sophia, Bulgaria. Mr. Dmitrov has visited several locations in Canada to date, and will be visiting the United States and the United Kingdom. Accompanying him today in the gallery is an official in the Department of Health and Social Development, industrial hygienist, Mr. K.R. Schrag. I'd ask them to stand.

DR. HOHOL:

Mr. Speaker, from my constituency of Edmonton Belmont, from the J. J. Bowlen School's Grade 9 class, 60 students, accompanied by their teacher, Miss Rita Atkinson. There are 35 in the members gallery and 25 in the public gallery. I would ask them to rise and be recognized by the Assembly.

DR. MCCRIMMON:

Mr. Speaker, it gives me a great deal of pleasure to introduce to you and through you to the members of this Assembly, 40 Grade 8 and 9 students from the Crestomere School, which is about 10 miles west of Ponoka. They are accompanied by their teachers, Mr. Goltz and Mrs. Gilland, and by parents Mrs. McCrimmon and Mrs. Nagel, and by their bus driver, Daryl Bresee. I ask them to stand now and be recognized by the Assembly.

FILING RETURNS AND TABLING REPORTS

MR. YURKO:

Mr. Speaker, I beg leave to table a report today which I indicated several weeks ago I would table. It was subsequently requested in Sessional Paper No. 142. The report is a study that was commissioned by the Department of the Environment, and was done by Intercontinental Engineering of Alberta. The report is entitled An Environmental Study of the Athabasca Tar Sands. The study is of considerable import.

I would suggest at this time that the study was done by the company for the government and the government at this time does not endorse the entire report or for for that matter, any particular part of the report. However it will study the report very carefully. Recognizing the interest in the report, a copy is being distributed to each member of the Assembly.

ORAL QUESTION PERIOD

Oil Marketing

MR. HENDERSON:

Mr. Speaker, I would like to address a question to the Minister of Mines and Minerals, or two questions actually, Mr. Speaker. Could the minister advise the House as to whether the energy statement made by President Nixon is going to have any immediate effect upon the marketing situation for Alberta oil?

MR. DICKIE:

Mr. Speaker, I think it is a little early to fully assess the full implications of the statement. We have noted, however, and have checked on some preliminary information which would indicate they will be replacing the tariffs with a licencing proposal. The existing tariff, at the present time, is 10.5 cents per barrel. That will be replaced with a licence fee. The licence fee, we understand, will commence in 1973 at 10.5 cents per barrel and escalate to approximately 21 cents by 1975.

But there will be a quota and the quota has been set at 1,240,000 barrels a day. At the present time that would mean we could export into the United States 1,240,000 barrels of crude oil a day without the present 10 cents a barrel tariff.

I might also say that the quota of 1,240,000 barrels a day is under what has been licensed by the National Energy Board. I think we have the figure for March and April which was 1,225,000 barrels a day. We also have observed that the existing licence fee will increase and the proposed quota will decrease until it reaches zero in 1980.

TransCanada Pipelines

MR. HENDERSON:

On another subject, Mr. Speaker, but also to the Minister of Mines and Minerals. During the study of the Estimates, the minister indicated he was going to check his files with a view to reporting back as to the representations made to the federal government, relative to having the TransCanada Pipe Lines carried on common carrier.

MR. DICKIE:

Yes, Mr. Speaker, I have checked my notes on that and am just composing a letter at the present time covering that point as well as other questions the hon. Leader of the Opposition raised about the market of Alberta oil in the Ontario market.

MR. SPEAKER:

The hon. Member for Lac La Biche, followed by the hon. Member for Hanna-Oyen.

Wood Buffalo Park

DR. BOUVIER:

Mr. Speaker, I would like to direct my question to the hon. Minister of Federal and Intergovernmental Affairs. I was wondering if negotiations, up to now fruitless, are still continuing with the federal government with the view of recovering Wood Buffalo Park.

MR. GETTY:

Mr. Speaker, we have not actually been negotiating on the basis of recovering Wood Buffalo Park. There have been on-going discussions about the possibility of exchange of lands in Wood Buffalo Park and some question about a potential highway link that might go north through an area of Wood Buffalo Park. In addition there will be representatives from Mr. Chretien's department in Alberta next week to discuss in general the Wood Buffalo Park area. Other than that I don't think there is anything more I could report at this time.

DR. BOUVIER:

Supplementary. You suggested an exchange -- did you have some place in mind which you are considering as far as the exchange?

MR. GETTY:

Yes, Mr. Speaker.

DR. BOUVIER:

Supplementary. Do you care to say where it is?

MR. GETTY:

No, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Hanna-Oyen, followed by the hon. Member for Spirit River-Fairview.

Marketing of Hogs

MR. FRENCH:

Mr. Speaker, my question is to the hon. Minister of Agriculture. What effect will the interprovincial hog marketing agency called Expork, formed by the governments of Saskatchewan and Manitoba, have on the marketing of hogs from Alberta?

DR. HORNER:

Mr. Speaker, as most hon. members are aware, I am sure, there has been an announcement that the Saskatchewan and Manitoba governments intend to go together in their method of exporting hogs which primarily is a method in which the governments involved deal with the sale of hogs. So far in Alberta, we have said that the producers themselves should have a major say in how the export markets are dealt with. Our producers have done a very excellent job over the last few months in evolving a concept of forward contracting. We think this concept of forward contracting deserves an opportunity.

Members of our Hog Producers board were in Regina for the past two days having discussions with Manitoba and Saskatchewan. We will continue to cooperate with them in a joint marketing effort but we reserve the right to continue to contract forwardly and to allow our producers to have the freedom so essential for a profitable and worthwhile farming enterprise in Alberta.

MR. FRENCH:

A supplementary question, Mr. Speaker. Will it require a change in legislation in Alberta before we would be able to participate in such a joint venture?

DR. HORNER:

Well, I think there are a number of factors to be resolved before that, Mr. Speaker. First of all, I think the producers in Alberta have the right to have a say whether or not they want to get involved in that kind of joint venture in which you have government selling the product for them without any say by themselves. There is a very essential and basic point of philosophy here that has to be resolved prior to that.

Under our legislation, it would require major alterations to our Hog Producers Marketing Board and a vote among the producers before such a thing could take place. Secondly, it would require a designation of powers under the federal Agricultural Marketing Act of 1946 to make it effective.

MR. NOTLEY:

A supplementary question, Mr. Speaker. Can the hon. minister advise the House whether or not he has received any representation yet with respect to making changes in the Alberta hog marketing set-up to coordinate with Manitoba and Saskatchewan?

DR. HORNER:

Mr. Speaker, as I have said before, we have had continuing negotiations with the provinces of Manitoba and Saskatchewan in relation to export marketing of hogs. I would hope that all hon. members would consider very closely, rather than getting stampeded into a government-run operation, the basis of which we are not aware, whether the producers are better off than they are in Alberta. I have had no representations from any producer group to change the method by which we are now operating.

I have had discussions as late as yesterday with the Hog Producers Marketing Board along these very lines.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Could the hon. Minister of Agriculture advise the House whether, in forward contracting, these forward contracts are made by the packing companies on behalf of the individual farmers or whether they are made by the Hog Producers Marketing Board?

DR. HORNER:

The contracts are all made by the Hog Producers Marketing Board and are sold on that basis and in fact, are not related to the packers whatsoever.

I want to say very clearly again, Mr. Speaker, that there is a basic difference of philosophy in relation to how you sell things, whether or not the politician sells them or whether or not the primary producer sells them. In our view it should be the primary producer having a major say in how he enters the marketplace.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview followed by the hon. Member for Cypress.

Gasoline Price Regulations

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister of Telephones and Utilities. In the light of the permissive legislation introduced in British Columbia to regulate gasoline prices, is the government giving any consideration to bringing the pricing of gasoline under the Public Utilities Board?

MR. FARRAN:

Not at the present time, Mr. Speaker.

MR. NOTLEY:

A supplementary question, Mr. Speaker. Is the government giving any consideration to bringing the pricing of fuels, such as propane and farm fuels, under the Public Utilities Board?

MR. FARRAN:

Some consideration is going into the question of propane, Mr. Speaker, but not necessarily through the PUB.

MR. NOTLEY:

A supplementary question to the hon. Minister of Industry and Commerce. Is the minister in a position to report on the observation of the McKenzie Report that there is no price competition in the marketing of gasoline and in particular, Mr. Speaker, I would like to ask the minister if he has had an opportunity to meet with officials of the Cooperative Refineries in Regina or the co-op movement in general to see whether or not there is a possibility of establishing a cooperative refinery in Alberta?

MR. PEACOCK:

Mr. Speaker, in answer to the first part of the question from the hon. Member for Spirit River-Fairview, I informed this House previously that we have a questionnaire out and we have been in the process of meeting with integrated oil companies. We do expect to come down with the findings of those meetings later in the summer.

In reply to the latter part of his question regarding the cooperatives, no, we have not had any meetings with them.

MR. NOTLEY:

A supplementary --

MR. SPEAKER:

Might this be the last supplementary on this topic.

MR. NOTLEY:

A supplementary question, Mr. Speaker, to either the hon. minister or the hon. Premier. Can either one of them advise the House whether the government has given any consideration to the role of the cooperative movement in the development of the petroleum industry and the marketing of gasoline products in the province?

MR. LOUGHEED:

Mr. Speaker, I think we could say that it's one of the factors that is on going in our consideration relative to public participation in the natural resource field.

MR. SPEAKER:

The hon. Member for Cypress, followed by the hon. Member for Calgary Mountain View.

Wood Buffalo Park (Cont.)

MR. STROM:

Mr. Speaker, my question is to the Minister of Federal and Intergovernmental Affairs. Could he tell me if Cypress Park forms part of the negotiations with the federal government for Wood Buffalo Park?

MR. GETTY:

Not in our discussions, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Calgary Mountain View, followed by the hon. Member for Medicine Hat-Redcliff.

Deputy Attorney General

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Attorney General. I wonder if he could advise whether the present Deputy Minister has terminated his services with the government and whether he has replaced him?

MR. LEITCH:

Mr. Speaker, the present deputy's services with the government terminate at the end of the month and he has not yet been replaced.

MR. LUDWIG:

A supplementary. Would the hon. Attorney General advise whether it is his intention to promote someone from the department to fill the job of Deputy Attorney General, or is he seeking a replacement from beyond the department?

MR. LEITCH:

Mr. Speaker, I suspect that question is out of order. I'll go no further than to say that the Public Service Commissioner has been asked to recruit a deputy and we are, of course, looking for the best possible person for the job. We don't know at this point from where he will come.

MR. SPEAKER:

The hon. Member for Medicine Hat-Redcliff, followed by the hon. Member for Lethbridge East.

Royal Alexandra Hospital Staff

MR. WYSE:

Mr. Speaker, my question is to the hon. Minister of Manpower and Labour. I wonder if he could respond today to the question I asked regarding the negotiations that are going on with the nurses, nurse's aides and workers?

DR. HOHOL:

I can answer this in a brief comment. The relevant information the hon. member asked for is difficult to summarize because of one circumstance: the collective agreement between the staff at the Royal Alexandra Hospital and the board of administrators ended December 31, 1972. All other hospitals in Alberta, to the best of my knowledge, terminate at the end of March, 1973. Therefore, the comparisons which you asked for, sir, are not impossible but very difficult to ascertain.

Continental Trucking

While I'm on my feet, Mr. Speaker, perhaps you would permit me to answer a question asked by two members of Her Majesty's Loyal Opposition, the hon. Member for Spirit River-Fairview and the hon. Member for Highwood, dealing with Continental Trucking.

The information in that instance is as follows: to the best of my knowledge 60 Albertans were laid off by this particular company. I should note, sir, that this company is a national company and therefore comes under federal jurisdiction. However, in this instance we pursued our usual approach to helping people who are laid off for various reasons and that is to assemble what we call an adjustment committee made up of people from Canada Manpower, the employer, employees and our own Department of Manpower and Labour. We have been able to place 55. The five who have not yet been placed personally attended the last meeting of the adjustment committee and every effort will be made by our own department and that of Canada Manpower and other agencies to place these five people.

One specific question, Mr. Speaker, had to do with whether or not the company paid severance pay. Our study of the matter shows that the company did not, in fact, pay any severance pay to its employees.

Royal Alexandra Hospital Staff (Cont.)

MR. BUCKWELL:

Mr. Speaker, a supplementary question to the minister. With the government picking up 100 per cent of the cost of hospital expenses, who, in future, will negotiate on behalf -- with the nurses, the hospital board or the government?

DR. HOHOL:

Mr. Speaker, that question might better be answered by the hon. Minister of Health and Social Development, but my understanding is that their budget goes in a global way for all anticipated expenditures to the board from the government. It makes its expenditures on that basis so that the negotiations will continue between the board and the hospitals.

MR. SPEAKER:

The hon. Member for Lethbridge East, followed by the hon. Member for Sedgewick-Coronation.

Mental Health Coordinator

MR. ANDERSON:

Mr. Speaker, my question is directed to the Minister of Health and Social Development. Does the Minister of Health and Social Development have a report on any progress made toward the appointment of a Lethbridge mental health coordinator?

MR. CRAWFORD:

Mr. Speaker, this is a question the hon. member has been raising with a persistence that if nothing else can be said about it would have to be admired for that alone, I think. The answer is that I have not, since the last time he raised it, specifically checked on the appointment to that position. I will do so and provide the information either directly to him, Mr. Speaker, or the next day the House meets.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation, followed by the hon. Member for Highwood.

World Grain Shortage

MR. SORENSON:

Mr. Speaker, my question is to the hon. Minister of Agriculture. Is it true that there is a grain shortage throughout the world?

[Interjections]

MR. SPEAKER:

There is some doubt as to whether that question is in order. It is general marketing information. However, if the hon. Minister of Agriculture may answer it briefly, without analyzing the situation in each country, it might be allowed during the question period.

[Interjections]

DR. HORNER:

Mr. Speaker, I wonder where the hon. gentleman has been for the last three months.

MR. SORENSON:

A supplementary. In view of the shortage --

[Laughter]

-- is it the minister's intention to urge Alberta's farmers to place more acres into wheat production in 1973.

DR. HORNER:

Again, Mr. Speaker, I wonder where the hon. gentleman has been since this House opened because I've made a statement on a number of occasions that we would hope that the wheat acreage would be increased but that our farmers would continue in a diversified agricultural economy having regard to the fact that we have more livestock in Alberta than any other province in Canada and that, in fact, the income of our farmers is about 65 per cent dependent upon livestock sales --

MR. SPEAKER:

The hon. minister is starting a debate of which we had considerable yesterday afternoon.

MR. SORENSON:

Mr. Speaker, a supplementary question to the minister. What is the demand for corn in the province, and will the minister be placing added emphasis on this crop?

MR. SPEAKER:

It is to be hoped that the hon. member's question does not relate to the question period.

[Laughter]

DR. HORNER:

Well, Mr. Speaker, having regard to the fact again that the hon. gentleman -- I don't know what he has been doing in the Legislature, but we --

AN HON. MEMBER:

Oh -- cut it out.

DR. HORNER:

-- have made announcements with regard to the incentives for the corn grain industry in southern Alberta on a number of occasions and we are allocating well over \$100,000 this year as a direct per-bushel incentive to get farmers in the irrigated areas, and those areas in which it is economical to grow corn, to do just that. The total market for corn in Alberta, Mr. Speaker, is in the neighbourhood of 10 million bushels.

MR. LUDWIG:

Mr. Speaker, a supplementary to the Deputy Premier. Has he lost contact with his department?

MR. SPEAKER:

Order please. The hon. Member for Highwood, followed by the hon. Member for Lacombe.

Agricultural Development Corporation

MR. BENOIT:

Mr. Speaker, my question is also addressed to the hon. Minister of Agriculture. It has to do with the Agricultural Development Corporation. Some people who have been seeking loans from the corporation have alleged that one of the reasons given for not receiving their loan is that the corporation is running out of money. Is this true, Mr. Minister?

DR. HORNER:

Mr. Speaker, again I've made some statements in the last few days with regard to the operation of the Agricultural Development Corporation. I might say this, up until now the fund is operating within the amount of money allocated by the Provincial Treasurer, both last year and this year, and at the moment we don't anticipate any shortage of funds in the direct-lending field.

I might say to all hon. members again, to encourage the farmers who are in a relatively strong position and who require additional capital, they should go

to the ordinary sources of that capital which is the Farm Credit Corporation or other lending institutions.

DR. BUCK:

A supplementary to the minister. In the processing of the applications, is your department keeping up or are they behind with the processing?

DR. HORNER:

Mr. Speaker, again I'll repeat for the hon. member who may not have been here when I mentioned it a few days ago, that the backlog is due primarily to a lack of credit for four years and we've had a tremendous number of applications. Before my hon. friends get worked up, this has been a shortage of credit, not just by governments but by financial institutions generally from 1967 to 1971. So the demand has been there.

We have put additional people on the program. We have used some PEP people, some winter employment people to try and catch up on the backlog, and I have a return nearly ready to be tabled which will show a pretty substantial improvement in the number of applications that have been looked after.

MR. BUCKWELL:

A supplementary question, Mr. Speaker. Would the hon. minister not agree that he is fortunate to be able to unload the load twice in two days?

[Laughter]

DR. HORNER:

Mr. Speaker, that's in regard to the fact that I only delivered a quarter-load yesterday.

MR. SPEAKER:

The hon. Member for Lacombe, followed by the hon. Member for Clover Bar.

Edmonton Telephone Rates

MR. COOKSON:

I'd like to ask a question, Mr. Speaker, of the Minister of Telephones and Utilities. The Motel Association has made the claim that Edmonton Telephones are charging excessive long-distance rates on calls throughout the balance of Alberta. I'm wondering if the minister is aware of this claim and, if so, if any action is contemplated.

MR. FARRAN:

Mr. Speaker, I was not aware of the claim, but it does astonish me because Edmonton Telephones is not in the long distance business and if they were charging for long-distance calls it would be highly improper because they would be charging for something they don't provide.

Edmonton Telephones' customers get one bill from Edmonton Telephones and a long-distance bill from AGT. Edmonton Telephones are not members of the TransCanada Telephone Network which comprises various provincial systems, and as a result they haven't been asked to contribute to Telesat or anything else, as has AGT.

MR. SPEAKER:

The hon. Member for Clover Bar, followed by the hon. Member for Wainwright.

Medicare Frauds

DR. BUCK:

Mr. Speaker, I'd like to ask a question of the hon. Minister responsible for the Medicare program, and I would like to know from the hon. minister how prevalent have been prosecutions and judgments against members of the medical, chiropractic and dental professions in the past year as far as frauds against the commission.

MR. SPEAKER:

The hon. member's question is one involving considerable detail and could very much more appropriately be put on the order paper.

DR. BUCK:

Mr. Speaker, with due respect, I don't want the exact number, I just want to know how prevalent they have been, sir.

MR. SPEAKER:

It would involve numbers.

The hon. Member for Wainwright, followed --

DR. BUCK:

Mr. Speaker, I would like to ask the hon. minister how often does the hon. minister look at the possibility of fraud in her department, or fraud against the plan?

MISS HUNLEY:

Mr. Speaker, I personally don't investigate the cases of fraud. I get a report and I've had one recently, but I don't remember the details. I would concur with you, sir, that if he would like details, maybe he would put it on the order paper.

DR. BUCK:

A supplementary, Mr. Speaker. In the cases that have been prosecuted, have there been large amounts of money or small amounts of money involved?

MR. SPEAKER:

Surely that is also detail, and if the hon. member intends to put the question on the order paper he might also add those additional parts which require further detail.

The hon. Member for Wainwright, followed by the hon. Member for Calgary McCall.

Migratory Bird Damage

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Lands and Forests. During the consideration of the estimates of your department you indicated you would make available a copy of the federal-provincial migratory game bird damage contract with the federal government. Are you in a position to do that yet?

DR. WARRACK:

Mr. Speaker, the hon. member is not quite correct. What I said was that I would be very pleased to supply a copy of that agreement, so long as the federal government agreed. I checked as recently as yesterday, and we do not have their response as yet.

Once again, Mr. Speaker, if the federal government is agreed, I'd be very pleased to do so.

MR. SPEAKER:

The hon. Member for Calgary McCall, followed by the hon. Member for Calgary Bow.

Rising Consumer Prices

MR. HO LEM:

Thank you, Mr. Speaker, my question is to the hon. Minister of Consumer Affairs.

Mr. Minister, Statistics Canada has reported yet another increase in prices in Alberta for March, especially grocery, restaurant costs, electricity, and

telephone rates. Specifically, my question then, hon. Minister is, when can the people in this province expect some legislation or action from this government to combat this spiralling problem?

MR. DOWLING:

Mr. Speaker, with due respect the people of Alberta have waited 36 years for some action in consumer affairs and they now have it. They have a department.

The bulk of this responsibility for food prices is in Trade and Commerce, invested in the federal government. However, we are not sleeping. I am aware that the cost of living index has risen for the last number of months in both grocery products and in restaurant products. We are aware of it. We are in contact with the federal authorities and are letting them know what our views are.

MR. HO LEM:

A supplementary, Mr. Speaker, since the minister has met with the Calgary and Edmonton Consumer Action Groups recently, has the minister taken any action regarding their recommendations?

MR. DOWLING:

Yes, we have, Mr. Speaker. We are in the process of drafting a number of pieces of legislation, some based on the recommendations of the Action Groups. Some of the recommendations are not something these people could live with if they were implemented, nor could we.

MR. HO LEM:

A supplementary, Mr. Speaker. Will the minister be meeting with these groups again?

MR. DOWLING:

I think I understood the question correctly. Will we be meeting with this group again?

MR. HO LEM:

Yes.

MR. DOWLING:

Yes, at any time they request a meeting, any time.

MR. SPEAKER:

The hon. Member for Calgary Bow, followed by the hon. Member for Spirit River-Fairview.

Suffield Block

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Mines and Minerals. Has the committee the minister planned to establish, to supervise drilling at Suffield, been formally established?

MR. DICKIE:

Mr. Speaker, the names have been put forth, but they haven't been approved by the cabinet yet. We do intend to have that done within the very near future.

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. minister. Can the minister advise if the request for proposals will be sufficiently broad to allow response from the widest possible spectrum of the industry?

MR. DICKIE:

Yes, Mr. Speaker, we have no hesitation in saying that. We do have some hesitation in drafting the actual terms and conditions and we have been very

careful in giving that point consideration. I think that is one of the areas we are really looking at more, to make sure it is given to everyone in the province to respond to the request for proposals.

MR. WILSON:

A supplementary, Mr. Speaker, to the minister. Can the minister advise if the committee will require the hiring of consultants to help supervise and oversee the Suffield drilling program?

MR. DICKIE:

Mr. Speaker, that's one of the areas considered. This committee will be a special adviser to the minister. I have suggested, perhaps, the committee would consider if they deem it advisable, they will make that recommendation and then the minister will give it consideration.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview, followed by the hon. Member for Hanna-Oyen.

Industrial Relations Board

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Manpower and Labour. Can the hon. minister advise the House when the appointment will be made of the new vice-chairman of the Industrial Relations Board?

DR. HOHOL:

Mr. Speaker, that appointment was made just recently, sir.

MR. SPEAKER:

The hon. Member for Hanna-Oyen, followed by the hon. Member for Calgary Mountain View.

Plea Bargaining

MR. FRENCH:

Mr. Speaker, my question is to the Attorney General. Under what circumstances are Crown prosecutors permitted to enter into negotiations with defence lawyers to reduce charges so the accused may plead guilty, which could result in a shorter trial?

MR. LEITCH:

Mr. Speaker, that raises the whole concept of what is frequently referred to as "plea bargaining", and covers an extremely wide range of discussions involving Crown prosecutors, defence counsel and the judiciary, some of which are certainly regarded in this province as bad practice and some as acceptable. While I think the hon. member has touched on a very important subject, with respect, Mr. Speaker, I don't think it is one we can really deal with properly during the Oral Question Period.

MR. FRENCH:

Mr. Speaker, a supplementary question. Is the result of this procedure a shortage of Crown prosecutors at the present time?

MR. LEITCH:

No, Mr. Speaker. It would have nothing to do with the number of Crown prosecutors. In fact, I would certainly regard any practice by a Crown prosecutor of entering into that kind of discussion because of an extra workload or too heavy a workload as being wholly unacceptable.

MR. SPEAKER:

The hon. Member for Calgary Mountain View, followed by the hon. Member for Lethbridge West.

Edmonton Crown Prosecutor's Office

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Attorney General. I believe that some time ago the hon. Attorney General indicated he will be reorganizing his department with a view to either cutting down or eliminating the need to engage private firms to do court work in higher courts in Alberta. I wonder if the Attorney General could advise as to what stage this reorganization is at, and have they terminated the practice of hiring private firms to do our legal work?

MR. LEITCH:

Mr. Speaker, it is hardly accurate to refer to what I said as a reorganization of the department. What we were talking about was the handling of the majority of prosecutions within the City of Edmonton by a private law firm here. I have indicated to the House that I intended to have that practice terminated and that we were carrying out discussions with the firm and also within the department, to ensure an orderly transfer of those responsibilities. Those discussions, Mr. Speaker, are still going on but I would anticipate they will be concluded in the relatively near future.

MR. LUDWIG:

Supplementary to the minister. Is there, in fact, a reorganization in the Edmonton section of Crown prosecutors in this province?

MR. LEITCH:

Mr. Speaker, there is a reorganization in the sense that arises out of my last answer. When the arrangement we have been discussing terminates, there will be a bigger workload for the Edmonton prosecutors, requiring additional staff and things of that nature. In addition, the chief prosecutor within the City of Edmonton has recently accepted the post of permanent director or head of the Alcoholism and Drug Abuse Commission and a replacement for him has recently come to Edmonton. That's the extent of the reorganization, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Lethbridge West, followed by the hon. Member for Medicine Hat-Redcliff.

Land Bank Near Lethbridge

MR. GRUENWALD:

Thank you, Mr. Speaker. My question will be directed to the Minister of Municipal Affairs. I wonder if the minister knows, and if he does, could he inform the House of the general location of the land bank of in excess of 2,000 acres near Lethbridge recently approved by the Alberta Housing Corporation for development? Just on which side of the river, would satisfy me for location.

MR. RUSSELL:

Mr. Speaker, I believe the hon. member is referring to what is known as West Lethbridge.

MR. GRUENWALD:

I understand, Mr. Speaker, from the answer that this land bank, west of the Oldman River is West Lethbridge, then.

MR. SPEAKER:

The minister has nodded his assent.

The hon. Member for Medicine Hat-Redcliff, followed by the hon. Member for Calgary Millican.

DREE Program

MR. WYSE:

A question for the hon. Minister of Federal and Intergovernmental Affairs, Mr. Speaker. It's just to clarify a point. Have the federal and provincial

governments agreed on dates for talks to finalize policy changes in the DREE program, or have they finalized them?

MR. GETTY:

Mr. Speaker, the Minister of Federal and Regional Economic Expansion, Mr. Jamieson, has now, on several occasions, had to delay a meeting, so I couldn't say we have finalized a date. However, it is his intention to come to Alberta for a meeting within the next three weeks.

MR. WYSE:

A supplementary question, Mr. Speaker. Is there any indication that DREE is rejecting applications or delaying acceptance of them until after the new program is announced?

MR. GETTY:

I guess, Mr. Speaker, there are all kinds of conjecture as to why they may or may not be stalling. However, a new program if it is announced, we would anticipate would only be announced after full consultation with the Government of Alberta.

MR. SPEAKER:

The hon. Member for Calgary Millican, followed by the hon. Member for Calgary Bow.

Natural Gas Policy

MR. DIXON:

Mr. Speaker, my question today is directed to the hon. the Premier. Has the hon. Premier or any member of his cabinet received complaints from the City of Edmonton following your answer to my question yesterday that the City of Edmonton would not qualify for a rebate for gas used in the generation of power in their plants?

MR. LOUGHEED:

Mr. Speaker, I am not sure that as of right now I could refer to it as a complaint. We know that is a position that has been taken by Mayor Dent of the City of Edmonton. We have passed on to him, though I don't know whether he has had an opportunity to fully read it, the report of the Energy Resources Conservation Board. We naturally will be having discussions with him and with the municipal government here in Edmonton after we, ourselves, have had an opportunity to fully digest that report.

MR. DIXON:

A supplementary, Mr. Speaker, to the hon. the Premier. Has the government done any research as to the advantages of allowing a rebate on gas used for power in Alberta as far as secondary industry is concerned?

MR. LOUGHEED:

Mr. Speaker, there is no question that that has been done and there is a significant advantage, of course, to the people of Alberta in regard to the policy. Nobody presents it as a panacea, but it certainly has some significant impact and it will have a continuing impact on industry in the province.

The particular narrow area that was raised in the first question, of course, has to do with electric power generation. The residential user in Edmonton and elsewhere, of course, is involved with his electric bill as well as his gas bill, and we are involved in the two-price system and in assuring by way of rebate, in due course, a plan where the cost increases will be pursuant to the statement we made in the House last fall.

MR. DIXON:

A supplementary question then, Mr. Speaker, to the hon. the Premier. If you put in your program with no rebate, wouldn't that have the effect of really disallowing any advantage that you had planned in your two-price system?

MR. LOUGHEED:

Mr. Speaker, obviously not. I think that what is being misunderstood here is that there are a number of areas involved. There is the area that has to do with the question of natural gas, industrial use for natural gas, commercial use for natural gas and natural gas in the homes of our citizens. It is that area we are dealing with in terms of the two-price system, and we are confident that over a period of time it will have a significant impact on industry in the province.

As far as electric power generation is concerned, one has to weigh the cost benefits involved relative to coal. There is a great deal of potential job creation involved in the development of coal and in terms of the appropriate use of the various resources, and that is exactly what the report of the Energy Resources Conservation Board filed last Friday was about. For anybody who doesn't understand that question, I commend to him the fullest possible reading of the report by the board.

MR. SPEAKER:

The hon. Member for Calgary Bow.

Department of the Environment Calgary Coordinator

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of the Environment. Can the minister advise today the name of the city of Calgary coordinator with the Department of the Environment?

MR. YURKO:

Yes, Mr. Speaker. In regard to the coordinator appointed by the city of Calgary under the Litter Check program, the individual who was appointed is Richard MacGuinness, the public relations officer of the City of Calgary. At the same time Peter Kameck, the information officer for the City of Edmonton, has been appointed for the city of Edmonton. The information division of the Department of the Environment has a listing of all coordinators in all municipalities of the province.

ORDERS OF THE DAY

GOVERNMENT MOTIONS

1. Moved by the hon. Mr. Miniely, seconded by the hon. Mr. Dowling.

That this House approve in general the fiscal policies of the government.

Adjourned debate: hon. Mr. Lougheed

MR. LOUGHEED:

Mr. Speaker, in addressing my remarks to the motion with regard to approving the general fiscal policies of the government, at the outset I would like to say that the importance of the annual budget of a government is, I'm sure, obvious to all members. It really probably is the basic document that pervades all else that is done by government. It provides, to use a term, the flesh on the legislation. It certainly confirms or establishes the priorities of a government in terms of their commitment to the tax revenues relative to the expenditure requirements. It reflects too, as this document does, Mr. Speaker -- Budget Address, 1973 -- the philosophy of a government in very many ways.

Mr. Speaker, our second, as with our first budget, has in our view (and I'm sure in the view of impartial observers) been very well received by the society of this province, by the senior citizens of Alberta, by the handicapped people in Alberta, by our Native associations, by business and labour groups, and by the public at large. Mr. Speaker, that general endorsement I think can be crystallized in a comment, that the Provincial Treasurer presented a confident budget and it was responded to by the people of Alberta as a sound budget for Alberta.

Mr. Speaker, on page 7 of the Budget the objectives were outlined in terms of the immediate priorities of phase 2 of our administration: the burden on property tax payers, the new and longer-term education finance plans, the greater return to Albertans from the sale of our natural resources; through our

continued emphasis on the priorities in phase 1 of our administration; to [develop] fiscal policies of a longer-term nature, to maintain economic expansion, diversification and the creation of jobs; and finally to long-term financial and program planning.

The financial plan of this Budget, to refresh the memories of the members, deals with an operating account surplus of some \$74 million and expenditure of \$1.3 billion on the operating side, or an approximate 11 per cent increase over the previous year -- an overall cash requirement of \$139 million which compares with last year's cash requirement of \$199 million contained in the Budget. It establishes all of this without any new taxes or any increases in taxes and includes a very important area of reduction in property taxation.

Mr. Speaker, my intention today is to summarize first of all with a brief status report on certain matters involving energy; to expand upon the policy considerations that are contained in our expenditure highlights; to review certain reasoning behind the fiscal policies of the government of this province; to assess economic strengths and weaknesses in the Alberta economy relative to both the national and international perspective; and to conclude with a position regarding a basic feature of national transportation policy.

With regard to our energy policies, I do not intend to dwell at any considerable length and do full justice to this total area. The statements that have been made and answers to questions and other debate during the course of this session to date, particularly statements on Orders of the Day, have covered a number of items of our energy policies. We are involved, as all hon. members are aware, in two delicate areas of negotiation for the people of Alberta. One has to do with the area of gas pricing and the other with regard to the second tar sands plant.

We have outlined for the people of Alberta in our Budget on pages 15 and 16 the cornerstones of our new energy policy for Alberta in the decade of the '70s, to reflect the partnership position of the people of Alberta with these resources not merely as a tax collector; to participate in the pricing decisions; and to ensure that our products are not sold outside this province for less than their fair value; to create greater opportunity for Albertans to participate as risk-takers in the profits generated from our natural resources; and to bring all of these energy aspects into the recognition of transportation inequities in the sight of such processing resources.

In the fall, Mr. Speaker, it would be my intention to report through you to the members on a fuller basis with regard to certain items involving natural gas royalties and public participation. But aside from some remarks that I would like to make today on the economic aspects of energy there are three items that I would like to touch on today with regard to the matter of energy.

The first one has to do with increases in crude prices. Mr. Speaker, there is no question in my mind, or in the mind of the government, or the minds of observers who have studied this problem, that increased crude prices throughout the world, throughout Canada and in Alberta have a tremendous positive impact upon this province. The economics of the oil sands are very closely related to the question of crude prices. And increases in crude prices have to be considered in terms of their carry-through effect and gasoline prices at the pump.

Mr. Speaker, I am prepared for, and welcome, debate with any Albertan at any time about the cost-benefit relationship in this province, as the crude-producing province in Canada of increases in crude prices, and that's in the order of 5-1 in terms of benefit relative to cost.

Mr. Speaker, there will be a reflection back, and response back, in due course at the pump. But federal price controls of crude oil would have a serious setback for this province. So those very few Albertans who argue that we should have price controls here of gasoline at the pump had better keep in mind that such an action proposed here in Alberta is an invitation to bringing that price control back to crude price at the wellhead. And it is a serious disservice to Albertans at this particular time to propose such a position.

Now, Mr. Speaker, one would quickly respond and say the government has taken a different position with natural gas as compared to gasoline at the pump and that's true. We have established what is in essence a two-price system for natural gas, which is a price with a rebate plan that we are devising. We do that on the basis of apparent competition in terms of the retail situation of gasoline and we welcome other measures that can expand, including co-ops, any degree of increased competition at the gasoline pump.

For those who argue that price control would be a good thing for the consumers of Alberta, I suggest that they had better do a very important and quick reassessment because the economic loss of crude oil price control, instituted by the federal government on crude oil price control within Canada, relative to the world, would have a cost to this province measured in the billions of dollars.

As it is, Mr. Speaker, we have the lowest prices of any province of Canada in terms of the price at the pump today, and so we should, and I'm sure we will continue to have. We also have the lowest provincial gasoline tax [a] tie with one other province, the Province of British Columbia. I have some confidence to suggest that I will be able to rise in my place here in not too many months and discover that we will be the lowest and not tied with any other province.

So those who talk about gasoline prices at the pump keep in mind for Albertans three aspects: one, the impact of such a measure relative to crude oil pricing at the wellhead; two, the fact that we have the lowest pricing at the pump today of any province in Canada by a substantial margin; and three, we have the lowest provincial taxes on gasoline.

There may be a valid argument, and I welcome it, that if we are going to take that position then perhaps we should take the position to review the question of the magnitude of our gasoline tax relative to our taxation policies.

This brings me, Mr. Speaker, to another subject in the energy area and that is the national oil policy. We anticipated during the course of the gas pricing battle that it would be suggested in central Canada that they did us a favour with the national oil policy by allowing Alberta crude to have an established market west of the Ontario valley. That is sheer nonsense for a confederation. In 1961 this national oil policy by the Diefenbaker government was a bare minimum in terms of Confederation. When we evaluate the history of Confederation, we look at tariff protection in terms of jobs in central Canada, profits in central Canada, the cost of automobiles to western Canadians. The fact [is], as Mr. Dickie has mentioned in this Legislature, for Montreal and the Maritimes, that they are bringing in today -- saving pennies over the past ten years, and it is pennies at the pump -- utilization of crude oil sources from Venezuela, Iran, Iraq and Saudi Arabia. Is that security of supply? Is that Confederation? So for those who suggest that a favour is done, I suggest that is so in no way. It is a minimum position for Canada.

Now, Mr. Tommy Douglas and company, Mr. Speaker, with their anti-Alberta positions, they say, "Don't sell to the United States the crude oil in this province, the potential reserve of the oil sands. Store it here." You don't have to be much of an economist to look at the dollars lost in terms of that sort of policy. Store it here, at great loss to Alberta. "Then when," and I didn't say "if", "Venezuela, or Iran, or Iraq, or Saudi Arabia, or Nigeria cut off that supply, then ship it down. Ship it down very quickly."

Well, the national president of the New Democratic Party headquartered in Toronto in the Globe and Mail report of March 17, got into this matter. He states:

Federal policies have traditionally locked Ontario into oil supplies from western Canada while the other eastern provinces have benefited from lower-price offshore sources in Venezuela and the Middle East.

That is the position of the Toronto-based New Democratic Party.

Mr. Speaker, there is a fair number of Albertans who would wonder how we would balance that up in terms of our tariff-protection policies over generations.

Now this support for this anti-Alberta position -- we are in the situation in Canada today that 53 per cent of the crude oil consumption in Canada comes from outside Canada.

As Mr. Rudolph, an oil man in Calgary, said at a recent speech, he attended an international meeting and somebody grabbed him and said, "Are you a Canadian?" Mr. Rudolph said, "Yes, I'm a Canadian." He said, "I've just been anxious to see and feel what kind of manner of person is a Canadian who would have a domestic oil production capacity to meet its entire national needs and import 53 per cent." Mr. Rudolph said it was hard to answer.

Yet without the national oil policy in 1961, without the national oil policy, there wouldn't be the Canadian petroleum industry as we know it here today. There would not be a northern exploration or development because there

wouldn't have been the incentives to reach the stage the petroleum industry is in now, to move to the north. They would have gone elsewhere and extensively and more quickly to other parts of the world. So in terms of equity and Confederation, I welcome that debate as well. In the national industrial strategy, one certainly has to consider that the national oil policy is a bare minimum.

This brings me to our gas pricing policy, Mr. Speaker, and the position of the Toronto New Democratic Party. In addition to Mr. Tommy Douglas, the national president, we had a visit in Calgary from their national leader from Toronto sometime in February. And he made a statement that was fairly accurate. It said: "Canadians should also be aware of how quickly low-cost energy substitutes could be developed" -- to Alberta's oil and gas -- and "reduce demand for Alberta energy". There's something to that. The "something to that" is that in this time in the early '70s the situation is favourable to the Province of Alberta and to the natural resources of this province.

And then, of course, we wondered how long it might take. We've been waiting some time to see when the message might come from Toronto and to see how long it might take the party line to get the instructions. We've now heard from the Alberta representative. The Toronto New Democratic Party in a statement this week, week -- well, I'd have to paraphrase the Minister of Agriculture. I can hardly wait to get on the hustings with that issue.

Mr. Speaker, the proposal is this. Continue to sell our gas at 16 cents right now and wait until the substitutes come. Don't rock the boat. Go along timidly with Eastern Canada, let them continue to dominate the economic situation in this country.

Mr. Speaker, I am tempted to divert my remarks to go further in this area but there is probably a better time and place. Let me just say this about this proposal. Increase the royalties on 16 cents -- OK, four times -- and it will still be less than the ultimate royalties that are in due course going to arrive in the Treasury of this province.

And what does that mean in terms of asset value of the resources of this province? First of all it means that these assets will not be discovered; secondly, that a considerable amount of them that are now beyond economic reach (if one reads the reports of the Conservation Board) will not become assets to the people of Alberta, that in addition to that, the operator will say "16 cent Alberta gas; 42 cent Northern gas. You know where I drill."

Mr. Speaker, I am also fascinated with what that means in terms of petrochemical development -- jobs for Albertans. I know what it means. It means continuation of jobs in eastern Canada. It means continuation of petrochemical development in eastern Canada.

Well, Mr. Speaker, I had better stop now for the time, but I think that all Albertans will keep in mind this ineffective effort to undercut Alberta's efforts to get fair value for its resources.

Mr. Speaker, we have received today, as the Minister of Mines and Minerals mentioned in the question period, the brief news report with regard to President Nixon's statement. In answer to the hon. Leader of the Opposition it obviously is not possible to respond to it in any substantive way. It is noteworthy to see that there are a couple of things that should be commented upon. There was not an extensive mention with regard to the Canadian position. But on the other hand with regard to the tariff position, I think it's clear that, as a cursory response to it, it is favourable to Canada.

And for those who try to assess these resource questions and market questions, I suggest they keep in mind that if a tar sands plant will employ 1,000 Albertans, perhaps 2,000, 3,000 additional Albertans on a secondary basis, not to say anything of the multiplier effect of the direct job creation, we assess the market for our tar sands. We have to say that that market situation in the longer term of a generation simply won't occur without having a significant portion of that market in the United States. And anybody that suggests otherwise is obviously suggesting it at the risk of jobs in Alberta.

In addition, President Nixon in his statement -- and I would have to say, I suppose, in a summary way that you are always concerned with a document of that nature and what its magnitude will be upon our province when it is an energy statement -- I think we would have to say that on balance it is favourable to Alberta. There may be some complications and implications but there is no setback of any substance, of any import, that is involved in the statement so far as we can tell at this time.

It certainly is obvious that the statement is an initial one and that there will have to be continuing statements regarding the developing energy crisis by the United States government. As I mentioned in the House here a day or so ago, I welcome an opportunity in my meeting in Sweden to perhaps discuss some of these matters with people on a world basis.

You've heard that the hon. Minister of Mines and Minerals and the Minister of Federal and Intergovernmental Affairs will be making a further assessment with regard to that matter.

In conclusion on the energy area, Mr. Speaker, the next six to nine months are going to be crucial to Alberta and to Canada in solving major energy questions. They are going to require a considerable amount of my time and the time of other ministers because this is the time, certainly over the next year, when some of these key questions are going to have to be resolved. I hope when we come back to the Legislature in the fall session I will be in a position to give a fuller report in this area to the members, Mr. Speaker, and to the people of Alberta.

I would now like to move to summarize the various priorities of expenditure by this government, because this document, this budget, shows a lot about an attitude of an administration and its priorities.

The first one, of course, is in the area of the mentally and physically handicapped. We've continued with our overdue reforms. The budget reflects our continued commitment from phase I. Last year's budget had a mental health increase and commitment of expenditure of 13 per cent. This year there is a further increase of some \$16.3 million or 13 per cent.

I guess what we are saying, Mr. Speaker, is we want to back up with dollars our feelings about priority in this area. We well recognize the process of administrative implementation that is involved, and that with the best of intentions there will be difficulties and delays. One of the most obvious ones, as members know, is the shortage of skilled personnel and the need, of course, to work with voluntary groups. But I believe most Albertans accept our commitment to this field of physically and mentally handicapped people and recognize the time element.

I do sense a change of mood in our province, a very positive one, in the area of mental health. It's slower, perhaps, than I would like, but it is coming -- a greater acceptance and awareness by our citizens in terms of the need not just for mental health facilities, but for the acceptance of mental health in a way that does not have any stigma attached to it.

In terms of the handicapped our budget last year was increased by a very substantial 24.6 per cent, and this year by 20 per cent. The progress we have made I think is quite remarkable in the area of handicapped people.

The funding of Sheltered Workshops and community Residences -- there are 9 workshops being funded with 348 spaces available. There are 18 Community Residences accommodating a total of 197 persons. There is a considerable increase in grants to provincial rehabilitation agencies. There are 9 Community Workers. There is a restructuring of our set-up at the Red Deer Hospital which we hope will lead to a discharge of a significant number of individuals. There is a new facility, as we all know, for 92 multiply-handicapped persons, aged 5 to 19, on the site of the old Misericordia Hospital during the past year.

There is a lot more to be done, but I think there has been some very important and significant progress.

In this area, too, I think one should mention the Workmen's Compensation Board efforts, and their new chairman. Our commitment in terms of the budget is a 71 per cent increase in that area. I know that the Minister of Manpower and Labour is planning to bring into this Legislature in the fall some legislative changes that will, I'm sure, be very substantial in this field and all members welcome the report of the select legislative committee.

So far as senior citizens are concerned, we are following through, Mr. Speaker, with our phase 1 priority -- in addition to the relief from Medicare premiums and the shelter assistance the government is increasing its efforts in this field. I think The Senior Citizens Housing Act might have been lost sight of, particularly by rural members, but also by members from all constituencies. I commend that particular item and the budgetary commitment involved there in terms of its flexibility.

The budgetary commitment here, of course, is a \$6.6 million in 1973 with 500 new or renovated units for our senior citizens. But more important, I think, is the flexibility, the imaginative legislation and the flexibility involved in that budgetary commitment that permits, hopefully, bringing the senior citizen closer to home and closer to his or her friends.

The exemption also from municipal tax is worthy of mention. The Senior Citizens Cultural and Recreational Centre in Calgary is, I think, a very forward step, as is also the "day" hospitals we are having, two in Calgary and one in Edmonton, on a pilot basis, which are unique. I think they will also be very helpful.

In the nursing home area, rising out of this budget, as you know, there are 777 new beds coming into Alberta. The largest number would be in Edmonton. It is a 20.6 per cent increase for \$17 million.

Adding this all up, Mr. Speaker -- adding what was done in phase 1 and phase 2 -- most fair observers in Alberta would recognize, I'm sure, the major commitment this government has made to senior citizens. More can and will be done, but Mr. Speaker I think it's been an excellent start in terms of moving and helping the senior citizens of this province.

Closely related is another aspect of our activity, and that has to do with the approach to the older worker, the over-45 worker. We held a conference in Edmonton in early February in which we had a remarkable relationship and cooperation with the labour and management groups involved. It wasn't complete enough, perhaps. There is a follow up required. We didn't get to the small business people who were involved -- and we need to because they are very much involved -- and we need to get from the senior management to personnel people. The over-45 job agency in Edmonton has placed about 1,000 people in jobs since its inception about a year ago and about 35 per cent of the applicants came through this particular office. The over-45 job agency has been funded in part by this administration and I'm pleased to see that a similar operation is now opening in the metropolitan area of Calgary.

Mr. Speaker, the conference we held in February was responded to in a very positive way by management and by labour. I have only one letter I'd like to refer to, it's a fairly large employer, but an important one, the Hudson's Bay Company in Calgary, and signed by their general manager in the Edmonton area. He wrote to me after the conference and he said: 'We're going to do these things because you held the conference.'

We will review our attitudes on spending money for the re-training of the older employee, and will include monies for such in our expense budgets.

We will keep a yearly check on the age blend of our total staff to be sure that each age group is reasonably represented...

We will make it clear to employment interviewers that under no circumstances should age be taken into consideration when filling vacancies.

We are going to review our job qualifications to be sure that we are not asking for greater qualifications and a more formal education than what is necessary to fill a particular situation.

...which is something that really hurts with many of our citizens not fortunate enough to have received the same degree of educational intensity as occurs today with perhaps, the younger group of our citizens.

The recommendations of the Bay manager were that he, together with the general manager of another company, suggested a similar workshop for personnel people and for small business. I think it reflects a positive way -- without legislation -- without necessarily getting into law and regulation -- in which government can move in terms of helping people. It has been an excellent, positive area as far as we are concerned.

Mr. Speaker, that brings me to the area of Native and Metis citizens. We all accept the difficulties. There is a serious poverty situation in this province as in other provinces. It is tied to adjustment, to a way of life, to maintaining traditions at the same time, and cultural values. Over the holiday I am anxious to read the most recent book on that particular subject.

We don't pretend -- I hope nobody pretends -- to have the answers. We certainly take the position that there have to be their own programs, not government-imposed programs. We have got to watch false expectations. We

certainly have to avoid the difficulties of something like a NewStart program where a great trumpeting occurs -- and I think it is fair to say to representatives of the previous administration that due, essentially, to the actions of the federal government these false expectations developed and they caused, I think, great difficulty in terms of what the Minister of Advanced Education is now trying to develop in northeastern Alberta.

We have to keep in mind in this area that we, as a provincial government, cannot interfere, unless there are ways in which we are asked to, with the treaty rights of our Native people. We are all well aware that trapping and fishing is a phasing-out situation to some extent, and we are faced with skilled jobs in areas such as tar sands plants -- and there is great transition going to be required in that, considerable patience and not too much false expectation. The progress will be slow and let no one pretend otherwise.

Our budget, Mr. Speaker, in terms of the direct area of the Metis people, is only a start. If we can work this housing program, I don't think Albertans will object to it being more than \$1 million if it works, if it makes progress, if it really helps improve the shelter of our Metis citizens in this province. It isn't a matter of aggregate dollars. But we have to move slowly so we can work with the Metis Association and their various locals in terms of priorities, because it simply can't be done all at once.

We have provision in our budget for substantial moneys to improve fundamental needs that everybody in this House takes for granted in terms of water supply. Some have been there and have seen what I have seen in terms of that water supply, and just an essential human need.

Some have made some comment about forest fire recognition program and wondered why we should make something of that. We hope to announce it soon, because there is something more than dollars too. It is a matter of pride and a matter of participation.

So in this area we pretend, in no way, that we have all the answers. We hope we can do this without political wrangle; we hope that we are all aware of the sensitivities involved here and elsewhere. It will be a very difficult job for our administration as for any.

This brings me, Mr. Speaker, to housing. I wonder how many members caught that figure, "35 per cent increase," the largest, really major increase of any particular item in our budget for housing. On page 13 of the budget it is outlined there, and should be reviewed in a very careful way. We are starting to make good progress through the reorganization of the Alberta Housing Corporation -- a new director and a strong board and, [one] I think, with fair policies. In addition to that last December the initiative of the Treasury Branches was to initiate a new home improvement loan program which would be a very useful addition to the quality of home life in Alberta.

In the area of justice we have had a substantial increase in funds, in the Legal Aid plan. We've made some important changes and improvements in rehabilitative programs in our correctional institutes. The Police Act contains some important reforms. And it was interesting to note the reduction in the justified complaints with regard to that department in the Ombudsman's report.

It brings me, Mr. Speaker, to the area of education. The hon. Minister of Education has outlined some important strides: the \$4.9 million for the first phase of a comprehensive early childhood program -- and it is a phase, and it's going to have its complications, but it is an important beginning; the emphasis on handicapped and disadvantaged children; the Grade 1 to 6 upgrading; the teacher-competence improvement; -- all backed by the largest provincial government dollar support, \$260 million, in Alberta history.

Mr. Speaker, in Advanced Education though, there is a different trend. In terms of capital construction there is a substantial reduction. There's the extra dollars put, in terms of the basic education program, in terms of the upgrading of Grades 1 to 6 on the operating side, but the substantial reduction on the capital side particularly in our universities until the enrolment trends rise sharply again. The Minister of Advanced Education has brought to the House the statement regarding incentive grants to school boards for extension courses for adults.

In the area of environment, my interest had been at first simply the balance between the development of the resources and the maintaining of the quality of life. The rather enthusiastic Minister of Environment has brought in a new factor in this equation. It's a fascinating factor. It links free enterprise and job development with environmental control. We see it in The

Beverage Container Act and its administration, and to quote briefly from an article by Nick Hills of the Scytham News Service -- just the first paragraph:

Alberta has created a tough and ingenious environmental law which is cleaning up back yards, basements, garages, and the countryside -- and at the same time creating hundreds of new jobs.

He might emphasize, on a free enterprise basis.

Sure, Mr. Speaker, there are administrative difficulties. There always will be in new programs. If one is afraid of criticism one doesn't have new programs. But when you're prepared to move forward and be doers and press on, those administrative problems will get ironed out, ironed out fully to the satisfaction of our people and end up in a very meaningful way with not just better quality of life but a lot of people very usefully employed.

Our budget for the Department of the Environment also reflects 150 per cent increase in, perhaps it is fair to say, long-delayed water resource projects, and a very successful negotiation by the Minister of the Environment and the Minister of Federal and Intergovernmental Affairs relative to the proposals of a couple of years ago, in terms of irrigation rehabilitation in southern Alberta.

Then, Mr. Speaker, in the area of parks, this is one where that rural-urban situation is interesting -- that growing interest by urban members relative to parks and park facilities and perhaps the counterbalance to the arguments from time to time by rural members about inequities -- recreation facilities, such as getting up in a metropolitan area at five o'clock in the morning and taking one's son to get some ice time because that's the only time it's available.

So I think the move in terms of recognition of recreation facilities within urban areas, followed by that important new step of two metropolitan provincial parks in this province, is a critical step forward for Alberta.

Yes, Mr. Speaker, I could go on with a very additional and substantive list of important accomplishments. There may be some that some wish I had added because it is a very long list.

But before moving to an assessment of our general fiscal policies and the economic outlook in this province, let me make this, Mr. Speaker, as a general summary statement. We take our mandate seriously. We take the mandate seriously in relationship to our platform. We take the platform that we presented to the people of Alberta, in relationship to that mandate, seriously. And my assessment is that in 20 short months three quarters of our entire platform has either been implemented or launched.

Mr. Speaker, I haven't the slightest doubt that that convincing mandate was due in very significant measure to our approach in opposition and in the campaign, in providing the people of Alberta with a positive and constructive alternative not a negative carping one. And this positive approach is like Albertans. They are doers; they want to see things get done. They don't like negative approaches. They like doers and they like positive moves. I'm confident, Mr. Speaker, that the people of this province in April, 1973 are fully satisfied with the substantial progress, the record of accomplishment of their new government in 20 short months.

In turning, Mr. Speaker, to the fiscal policies of the government, the cash requirements are proposed at \$139 million. Last year they were \$199 million. The actual was \$132 million, and was done without resorting to the long-term bond market.

Now there is a legitimate question which was raised by I believe the hon. Member for Cardston, and that is always a legitimate question, the size of a cash requirements of the government at any particular stage.

First of all it has to be basic in our thinking that there has to be an operating surplus. Now the argument has been made, and is made, that natural resource revenues are in essence capital, because they deal with a depleting asset. I think the counter-argument, and I think it's a valid counter-argument, is that very many of our operating expenditures are of the same nature in reverse, in that they are investments in the future. They are investments in the future in terms of education. They are investments in the future in terms of the marketing and administrative thrusts of many departments; in terms of creating wealth, job and opportunity in the future. And I think, in looking at things fairly, they balance up.

In fact, when we look at the question of sheer size the last budget of the old government, Table A(4), ours is \$139 million and that was \$135 million, and somebody called that a shocking increase.

Mr. Speaker, we have in this province the lowest direct provincial debt in Canada and we are well able to handle those sort of cash requirements.

There is an important situation here of being too low in this area of capital requirements, too restrictive with regard to roads and hospitals and housing -- negative impact on the provincial economy. And it requires a balanced judgment decision with regard to your capital expenditures and your cash requirement situation.

In our view, this budget reflects that sound balance of an operating surplus and a cash requirement of \$139 million and [we are] prepared to do that, of course, recognizing that we have that onerous responsibility of a refinancing of some \$50 million for the -- I'll say it quietly -- Alberta Resources Railway.

Mr. Speaker, in terms of cash management, the Provincial Treasurer and the Treasury Department have made some overdue but imaginative improvements. The utilization of idle funds has saved Albertans millions of dollars in terms of interest expense and the first-ever treasury bill. What better way to test the confidence of the business and financial community of Canada than to initiate for the first time a treasury bill -- and the treasury bill response lowest in Canada.

Mr. Speaker, I think that is a clear, distinct and very meaningful evaluation and measure of the confidence of the financial community, the business community in this government's financial management.

Mr. Speaker, when I spoke in this House two years ago on March 12, 1971, as the Leader of the Opposition, in presenting a positive alternative we outlined our taxation policy that developed into our platform. I would like to review and just highlight it very briefly in terms of what has been done, so a judgment of our progress can be made.

The statement of this, Policies For Albertans In The Seventies -- Taxation Policies Of A Progressive Conservative Government:

1. The primary Alberta tax sources should be from the ability to pay taxes. This approach requires accelerated growth of per capita income and hence warrants strong provincial government measures to realize upon our secondary industrial and tourist potential.
2. Alberta's tax system should, for convenience and simplicity, be tied into the federal system but only so long as the federal system is equitable, creates sufficient incentives for savings and investment and gives adequate reward to small, medium and new business development (in this province).
3. Alberta requires new tax policies to more effectively encourage new job producing enterprises. These policies should be structured to better balance the scale between small and large corporations and to recognize that secondary and tertiary industrial growth would more likely stem from local enterprise than from non-resident operations whose assessment of Alberta's geographic market limitations would tend to be over-emphasized.
4. Alberta's tax policy should include a special tax feature to offset the international price structure of agricultural products to ensure Alberta farmers an adequate after-tax standard of living.
5. Alberta requires a tax structure that contains an adequate formula for periodic adjustment of natural resource export revenues in relation to demand and supply factors in the world. We must ensure that medium-term trends in natural resource demand reflects adequate return to Albertans for the sale of non-recoverable and depleting natural resources.
6. The provincial-municipal tax structure should be completely restructured with
 - (a) the cost of education primarily borne from the general revenues of the province.
 - (b) The existing foundation plan for education should, to all intents and purposes, be discontinued and that education residential property tax be utilized to reduce both property tax grants and to offset any reduction in the province's municipal assistance position.

(c) Provincial-municipal assistance grants should be based upon need.

7. A general Alberta sales tax, is an undesirable tax except for non-essential items (such as liquor and tobacco) because it has no "ability-to-pay" foundation. It penalizes the less fortunate; those on fixed incomes in an inflationary period.

Mr. Speaker, I believe it is useful to bring back what was said at that time in August of 1971. I would be quick to point out that there are some things there that have not yet been done, but there are a number that have been done -- substantial property tax reduction, [and] very important moves in terms of natural resource revenues. The Minister of Mines and Minerals might not like me saying it, but the \$70 million is getting awfully close to the \$100 million. No tax increases or new taxes.

In short, Mr. Speaker, we have stuck to the ability-to-pay concept. We still have work to do with regard to incentives and corporation tax. But I think it was important for me to bring to the members a review of our taxation policy, the progress we have made, and, frankly, the progress we have yet to make.

That leads me, Mr. Speaker, to the area of inflation before dealing with economic questions. This is a difficult area because it is a world-wide factor. Canada, according to the Economic Council of Canada, probably had the best record of any major or developed nation in terms of inflation. It's essentially a federal area, but there are actions that can be taken by provincial governments. One of the best, Mr. Speaker, if not the best, is to reduce taxes where it counts, to reduce taxes where the people get a benefit and to reduce taxes primarily to the people in the lower-income groups and that is exactly what the \$30 million in our Alberta Property Tax Reduction Plan does. What more specific, positive method can a government take in inflationary times than to reduce those kinds of taxes by that degree of magnitude?

In addition to that, in due course to assist the renters to the extent of some \$12 million. To give the Medicare assistance I've already mentioned to senior citizens, involved some \$12 million.

And all of that in terms of anti-inflationary measures, came through our administration.

Specific measures regarding public housing for low-income groups involved \$19.5 million. This positive action by provincial governments, this positive action in no increases in taxes, no new taxes and reduction in the taxes that really count, the property tax -- this, this is the way that a provincial government can be very positive in terms of anti-inflationary measures.

Now price and wage controls are mentioned. I spoke about this briefly in the question period. Mr. Turner, the federal Minister of Finance in the House of Commons, said: "Price and wage control is no solution to the food problem, it's basically a supply situation," as our Minister of Agriculture has been saying with considerable frequency. The minister, Mr. Turner, also says, it would be impractical to exempt farm receipts from price controls.

Last fall I spoke in this Legislature about the report of Professor David Ross, the Department of Economics, University of Windsor, that wage and price controls hit the people you start out trying to help. They are the ones least able particularly with their demand for serviced goods, to overcome those inflationary pressures.

Mr. Speaker, I think we also have to keep in mind, in an agriculture -- based province, that those who advocate wage and price control had better recognize the impact of that sort of proposal on the agriculture industry of this province and on the farmers of the province, the primary producers.

Now the Department of Agriculture in its brief to the federal committee, which was extremely well received, pointed out something I mentioned previously about per capita income. In 1971 an hour's pay would give 2.47 pounds of sirloin steak; 1951, 20 years ago, you only got half as much for the same hour's pay. So one of the important things that has to be done by a provincial government is to work the best it can in terms of per capita income growth.

The other interesting fact in this area is the percentage of families' expenditure allocated to food. According to the latest figures for 1969, for some reason or other Alberta families allocate the lowest -- an interesting statistic. In addition to that, they spend least of any province on food. But despite this and despite the tax relief I have mentioned, your government is

prepared to move in specific areas in addition to the formation of a new Department of Consumer Affairs -- and surely, Mr. Speaker, an opportunity of reasonableness to the minister to develop that department at an appropriate time, a department that didn't formerly exist in this province. But before the end of the spring session we have a specific proposal regarding food costs that we intend to bring to the House.

In closing this area, Mr. Speaker, let me just reiterate that when it comes to the question of inflation the best action a government can take is to reduce taxes or at least maintain them if they are taxes that aren't based on ability to pay. And that's exactly what this government has done.

Moving, Mr. Speaker, to the Alberta economy, it has never, in its history, been stronger in terms of personal income, number employed, demand for our products and perhaps as important as anything else, investor confidence, public confidence and confidence in its government. The strengths are many: the world energy demand for our natural resources, our solid agriculture base, our gateway to the north, our unique tourism potential, our history of stable government, and our talented people.

But we must also recognize the weaknesses and they are four: our geographic position and the impact of existing national transportation policies; secondly our lack of stability and security in markets and prices for our agricultural products; thirdly, our excessive rate of urbanization; and fourthly, our shortage of skilled personnel in certain key areas.

Before concluding with the action we have taken in shoring-up some of these four areas of weakness, Mr. Speaker, let me review some of the current economic developments in this province. Some of the programs that we have taken reflect it. Alberta business trends have shown Alberta farm cash receipts January, 1973, \$88 million compared to \$60 million the previous year. Gross sales in our packing plants January, 1973 up 23 per cent. Year-end retail trade comparison, '72 over '71, 13 per cent -- and that consumer retail trade is a key aspect also of confidence.

And then to the employment figures... It always interests me, Mr. Speaker, in a Legislative Assembly sometimes what is not talked about, sometime what is quietly ignored is sometimes the most interesting [matter] involved in the Legislative Assembly. But I thought perhaps hon. members would expect that we should talk about some of the things that weren't raised yesterday.

March employment figures in this province show that the Province of Alberta has the highest participation rate of any province in Canada in terms of employment today. They are most encouraging statistics; 39,000 new jobs, March 1973 compared to March, 1972. They reflect the confidence of the people of Alberta in their government and in the free enterprise system. It is not going to be easy to sustain that 39,000 record, Mr. Speaker, and I want Hansard to duly note. That is quite a performance. We will be pleased if we can maintain an accelerated trend upward.

In terms of oil and gas drilling, the judgment is pretty clear. It reflects the judgment of our royalty and incentive systems as pointed out by the new president of the Oilwell Drilling Contractors last week:

Oil and gas well drilling is labour intensive. A drilling rig operating in Alberta creates direct and indirect daily employment for approximately 110 men. The annual payroll generated is in the order of \$146 million per year. It contributes to our economy.

Mr. Speaker, an interesting side element of economy, comparative economy: footage first three months, oil well drilling in Alberta increased -- '73 first three months, compared to '72 first three months. Alberta increased by 62 per cent. British Columbia decreased 36 per cent. That's judgment!

AN HON. MEMBER:

That's performance.

MR. LOUGHEED:

Mr. Speaker, you had the statistics presented to you and through you to the members with regard to oil well drilling that has gone on in this province last year. It is really very, very substantial as well as the effectiveness of our incentive plan.

In terms of agriculture, the general outlook is good. We've got to use this time of buoyant prices to attempt to create some stability. One of the interesting statistics that I have received from the Minister of Agriculture, among many, is that there has been a \$50 million increase in the credit that has been granted to the farmers of this province, and primarily to small farmers. I think that's a very important step forward. In addition, the heavy emphasis by our Department of Agriculture on processing plants in terms of cheese, dehydration, vegetables and a variety of others.

Well, Mr. Speaker, I know we have a modest Minister of Agriculture --

[Laughter]

--but I couldn't resist, because of his modesty, to read the Free Press -- that's from another province -- Weekly Report on Farming of April 7, 1973 where it talks about the relationship between the Department of Agriculture and the farmers of this province. It's concluding statement is:

Often government and farmer appear at odds with each other in terms of policy, but in the case of Alberta the opposite seems to be true. For once the farmer and the Agriculture Department are complementing each other's efforts and working for a common goal that's clearly in the sights for both of them.

MR. HENDERSON:

He's blushing.

MR. LOUGHEED:

That doesn't happen very often!

In terms of industry, we are pleased with the new managing director who has taken his position with regard to the Opportunity Company. We are delighted with his attitude toward small business in rural Alberta. I haven't the slightest doubt that I'll be rising in this Legislature on a future occasion with regard to a record of performance in terms of the Opportunity Company that will be most meaningful.

But moving into the area of manpower, there was A Survey of Executive Opinion recently tabled in the Legislature which, on page 8, states: "A recurrent theme expressed by many respondents..." -- these are employers and executives in Alberta -- "...was the difficulty of hiring qualified labour in 1972."

Well, Mr. Speaker, we are the only provincial government that has a manpower thrust to it. We are starting -- and I admit it's only a start -- in balancing demand and training. We have presented a manpower policy for the first time to the Legislative Assembly. The budget of the new Department of Manpower and Labour reflects this commitment. I recognize that it will take at least a couple of years to have any significant results to meet that important point that is raised in that report with regard to the shortage of skilled labour. But it's an important start -- one province in Canada that's taken that initiative.

Another area of concern that I mentioned is the excessive rate of urbanization. 15.5 per cent drop in Alberta farm population between 1966 and 1977, but in addition to that, two of the five fastest growing metropolitan areas.

The government action that was taken, Mr. Speaker, was: first of all, the Opportunity Company with its priority to the smaller centres, secondly -- and some may make light of this -- government operations (the decision to have the headquarters for the Opportunity Company in the community of Ponoka, the decision to have the headquarters for the Agricultural Development Corporation in Camrose).

The letter I received from the mayor of Camrose on February 7 was to this effect that there is a feeling of considerable satisfaction that this particular decision has been made with regard to the headquarters of the Agricultural Development Corporation. The Alberta Chamber of Commerce, in its report, has recognized the importance of these two moves.

Why so important, Mr. Speaker? Because it's one thing to talk about the need for rural industrialization. It is another thing for a government to take the position but it has to back up that talk, and the flak that it might

receive, by making the decision to have the decision makers at the smaller centres involved in the society there.

In addition to the question of government decentralization, there is the proposal that was presented to the Legislature only a few days ago, involving some \$40 million of commitment on extended-area telephone service to our smaller communities and that is going to be a real plus.

There is the rural gas plan that will be presented to this Legislature within a matter of weeks. Then there is the budget with regard to Alberta growth roads. (Yes, Mr. Speaker, we said it last year but we have a new minister and that minister is entitled to some time.)

With regard to the Alberta growth roads, there is surprisingly little awareness of the amount of work, action and paving and perhaps dust that is going to occur in this province this summer. For, in addition to the 19 per cent increase in the primary budget for highways, there is a 74 per cent increase in Alberta growth roads -- \$20 million for secondary road construction. When you talk about backing up your commitment to rural industrialization and rural growth, to me that is the way to do it, Mr. Speaker.

In addition, as a final point, I am pleased to see the initiative and imagination of the programs of the Minister of Culture, Youth and Recreation in bringing many of his efforts in terms of quality of life to the smaller centres of Alberta.

So we come to the stability of farm incomes and we recognize that our minister and the department have an expansionary attitude. We heard about that as recently as the question period today. The working together with industry on a common basis, in terms of international marketing in the missions, is obviously very important.

Which leads me, in conclusion, with regard to this economic assessment, Mr. Speaker, to the matter of the international economy and its relationship to Alberta. With agriculture and petroleum as our two bases, with the northern gateway, with the tourist potential we have, with our transportation limitations, it is essential that the government of this province have an international perspective, that the Alberta government not become provincial or isolationist, because if it does it will not serve Albertans well.

For decisions in London, Beirut and Tokyo, New York and Hong Kong, in Geneva -- decisions being made affect this government, this Legislature and the people of this province. Our budget emphasizes this international marketing attitude we have both in agriculture and industry in general. In energy as I mentioned, I will be meeting with regard to this matter in Sweden in a matter of weeks.

There is a rapidly changing world economic scene. I don't think ever in our history it has, perhaps, changed as rapidly -- except possibly with the intervention of world war. But if you look at Britain and its move into the Common Market, look at the impact of the OPEC nations as the Minister of Mines and Minerals has pointed out, and the tremendous consequence that will have on the Middle East nations in terms of dollars and our international monetary position, and its affect on the Canadian dollar, hence on Canadian exports, hence on prosperity here.

You look at the United States' attitude with regard to protectionism. The dangerous Burke-Hartke Bill, the upcoming problems of Canada-U.S. trade and I have already mentioned Mr. Nixon's energy statement.

Where, Mr. Speaker, does it leave Canada and Alberta?

I hope it leaves us, in terms of foreign investment, with a positive attitude. Surely we are mature enough to recognize that we, as a province, can control our own economic destiny, can give a greater degree of opportunity to our own citizens, to assure social responsibility by our investors here, in fact to welcome the world here as we want them to welcome us.

So narrow, provincial attitudes with regard to investment are truly senseless for a province such as Alberta and a nation such as Canada. A disservice is done to our citizens and to our younger citizens in particular with some of the extreme statements that have been [made] that people would prefer Nigeria to the United States, that people would prefer to have socialism, in its suffocating sense, than an opportunity for us to move around the world and be welcomed throughout the world.

Mr. Speaker, I think this means that a narrow, provincial, isolationist point of view would be a very serious setback for Alberta and I hope that in all of our deliberations we will have a broader perspective than that.

In conclusion, Mr. Speaker, I want to deal with the matter of transportation. Before I do, it requires a lead to the matter of federal-provincial relationships and I would like to pay tribute in this House to a minister who has played a key role. The word in Canada today, of course, is that in federal-provincial conferences, the delegation that is the best prepared and best organized and ahead of everybody else, is the delegation from the Province of Alberta. This is due to a department and to the leadership of a minister who, in a very short period of 20 months, has had a profound impact upon Canada and I refer to the hon. Donald Getty.

We are moving, Mr. Speaker, into a very extensive series of federal-provincial conferences. Ministers are off, I believe, as quickly as next week as the start of it. There is a very large list. They are going to occur with greater frequency and greater importance. And because of the present political situation federally, it puts even greater responsibility upon our delegations and our representation to balance the Canadian public interest with the provincial interest.

Mr. Speaker, for those who haven't noted it though, a recent Gallup poll showed Canadians support almost two-to-one the proposition that the provinces should have more responsibilities in the areas of taxation and social welfare, mainly because they are in closer touch with the people's problems and that more of the provincial tax dollars should be spent within the provinces.

I was frankly surprised at that Gallup poll. If I had to guess I would have guessed it probably 50-50 at the best, but it's important to note that it went that way.

This brings me, Mr. Speaker, to this summer's critical conference on Western Economic Opportunity and to the issue of transportation. Let's establish the parameters. The conference was called by the federal government. In Winnipeg two and a half weeks ago the four western provinces made a very important decision, a pretty interesting one too. We agreed to go to the conference on the basis of what we could agree upon, not upon what we disagreed. We will proceed to Victoria in June for a final warmup for the meeting in Calgary in late July.

The first item on that agenda -- and a key role that has to be played by the province of Alberta -- is transportation. Three other items on that agenda are agriculture, regional financial institutions, and the Department of Regional Economic Expansion. The conference, as I said, will be held within this province in Calgary.

There should be no false expectations as there were a few years back with regard to the constitutional conferences, for it will depend upon the positive response of the federal Liberal government to the conference that they called. We intend, and I'm sure the other three provincial governments also intend, to approach this conference in a positive fashion.

It just might be, and I underline the word "might", the best chance in decades to make some progress in the area of transportation. As far as the importance of transportation is concerned, in this and the next decade with our energy, particularly our depleting gas situation, the need to conserve our own requirements in Alberta, the substitute development of nuclear energy, the need to have the processing upstream, the significance of our two-price system on gas -- have a significant bearing upon transportation.

In terms of jobs for Alberta and for all Canada, this province has a great growth potential arising out of that energy demand and I would hope that the national industrial strategy would recognize it. To continue to be crowded in terms of the "golden triangle" or the St. Lawrence Lowlands surely is not in the Canadian public interest. If the job situation in relation to energy develops in a growth sense within Alberta, it will have a positive spill-over effect in the whole western region.

But in addition to the energy we are frank to admit that we also need here major changes in national transportation policy -- agricultural processing here, upstream processing in terms of energy here. And no province has more at stake in transportation changes than ours, even more than Saskatchewan because we have that potential of growth. True, they have the agricultural processing but we have an additional factor in the North and we are the furthest removed in terms

of the distance from tidewater and population centres. We have that untapped potential of tourism. Minor changes simply won't be enough.

Before dealing with a specific proposal, I would like to briefly deal with the various categories of rates. Some of the figures and statistics here are something that should be at the fingertips of every member in terms of seaboard rate -- a product [shipped] from Ontario to British Columbia and back to Alberta at less cost than if it had been dropped off in Alberta on the same train that went to British Columbia. Skelp from Hamilton to Edmonton at \$2.11 per hundred pounds; from Hamilton to Vancouver and there for export, at only \$1.35 per hundred pounds; structural steel from Hamilton to Calgary at \$2.46 per hundred pounds and from Hamilton to Vancouver at \$1.64 per hundred pounds -- simply makes no sense at all. Where does that mean the jobs will go?

The second category after seaboard rates is the Crowsnest Pass grain rates, the special rates for wheat from Western Grain to the Lakehead --

Call it a subsidy, Mr. Speaker, for western Canada? What do we call tariffs? What do we call equalization? What do we call the presently debated reduction in corporate taxes for secondary manufacturing in terms of where that's located? Perhaps what is needed is not a contraction of such a subsidy, as the president of the railroad tried to put to me two and a half weeks ago. Perhaps \$50 million is too low, not too high.

In terms of agricultural processing -- Edmonton to Vancouver livestock cents per hundred pounds, 119; frozen meat 139. Exporting jobs from our agricultural base. The same with rapeseed and rapeseed oil. Send the rapeseed from Lethbridge to Montreal, 70.5 cents per hundred pounds: process it, \$1.22. It makes no sense at all.

Then there is the third category of agreed charges or commodity rates. Certain industries agree with whom, where, and how for a special rate related to competition, trucking competition? Who owns the trucks? Where is the short haul? Where is the competition greatest? Montreal and Toronto. Between 1967 and 1972 the non-competitive rates increased from \$2.50 to \$3.32. The competitive rates either were constant or increased not nearly so much.

The question on freight rates is: should the rates be based on the competition, and competition with whom? Or should the rates be based on Canadian industrial strategy and jobs for the good of Canada? That is surely the argument. And in general freight rates, the more you take out the agreed freight rates, the less you have in the general category.

That brings us to the area of coal: thirteen million tons a year from Pennsylvania and West Virginia into the Ontario area, and it is sitting here in the constituencies of Drumheller and Edson and Crowsnest and I am sure I have missed some. It's here. And it makes no sense at all.

Where are the costs for these increased rates for the railway? Mainly at the terminals. And where are the terminals? Why is it with air transportation the public purse pays for the airport terminal in Toronto? And who pays for that and who charges for that? How does that relate to transportation and who sets that rate?

Well, Mr. Speaker, if I indicate some excitement it's because I am excited, because the Minister of Industry has got me that way, because I haven't yet spent as much time on the subject as I intend to in the next few months; it is obviously a complicated area. But three important factors are emerging.

First is the Calgary conference. The federal government called it. Let's not forget that. It may be a chance for them to do more than talk. It needs a complete overhaul in terms of our national transportation policies.

The second thing that is beginning to emerge -- I am sure this is to the pleasure of members on both sides of the House -- a final awareness, albeit pretty slow, in Central Canada that isn't ho-hum about it.

I refer the hon. members to the Toronto Globe and Mail editorial on April 11. I would like to table it because it should go in full in the record as such recognition. And I would like to quote parts of it.

The Premier of Alberta is now aiming his natural gas cannon at eastern Canada. Manitoba, Saskatchewan and British Columbia are joining with Alberta for what they say is not a showdown session but is with Ottawa and why is anybody surprised? Way back in 1939 the Royal Commission on Dominion-Provincial Relations found that Canada's tariff structure shifted

the benefits of prosperity from west to east and left the west to bear the brunt of hard times. And before that time and since that time western political leaders have been telling Ottawa and eastern provinces and eastern business that the west was getting a raw deal on tariffs, on freight rates, on banking, on industrialization and federal spending policies. Western dissatisfaction finally has penetrated. The Premier of Alberta's concern with freight rates ...

It goes on to refer to the Premiers of Manitoba and Saskatchewan. It says:

The communique issued last week from Winnipeg when the four Premiers met to discuss their approach to Ottawa, they were, in fact, united in stating that freight rates could be the single most important issue to be discussed with Prime Minister Pierre Trudeau.

It may all sound ambitious but the political facts of Canada demand the federal parties listen.

Finally, Mr. Speaker, one other fact has emerged. In Winnipeg, the president and the senior officer of the two railways met with us. Yes it was closed, but it should have been open, for they refused full cost disclosure as they have to date, in the past to the provinces. And I think Canadians are now asking, is there any credence to that? The railways are probably arranging the industrial policy of Canada in terms of job locations by the way they are dealing with the rates.

Now up to now the provinces have been accused of talking in generalities, but how can you help but talk in generalities when the other party has the information and you don't, except in a very limited way.

Mr. Speaker, the railways provide this data to the Canadian Transport Commission on a confidential basis. They are common carriers. They are responsible publicly to all of Canada. They have refused up to now to disclose full and complete cost data to the provinces. We requested it specifically in Winnipeg. They hedged and twisted. We need that information, both the fixed and the variable costs, to ascertain if the rates, as now established, work in the best interests of all of Canada.

Mr. Speaker, we call here and now upon the federal government to order both national railways to provide every aspect of their cost to interested provincial governments. We call for full cost disclosure to the provinces, whatever reasonable manner can be worked out, by both railroads.

We call for full disclosure as a first and essential step in a new national transportation policy for Canada.

Mr. Speaker, we call for it today and will present it as condition one -- and I quote from the federal Speech from the Throne: "Steps to improve our total transportation system" -- at the Western Economic Opportunity Conference in Calgary this July 25.

In conclusion, Mr. Speaker, Alberta is strong in a social and economic position in Canada today. It has the potential with its energy resources, its food productive capacity, and its talented people to play an even stronger role in Canada, not just for Alberta, but for all of Canada. Thank you.

MR. TAYLOR:

Mr. Speaker, I count it a privilege to now take part in the Budget Debate and I want to extend my congratulations to the hon. Provincial Treasurer, as is customary, and to all persons who have taken part in the debate, including the hon. Premier who spoke today.

Mr. Speaker, the major item about which I want to speak today involves the insurance rates on snowmobiles. I want to read from the Act what the law actually is in regard to this item. Now I am reading from 321.4 under The Alberta Insurance Act, and I quote:

On or before January 1, 1972, or such later date as the Minister may allow, every insurer shall file with the Board the rates it proposes to charge for the minimum insurance in Alberta on and after April 1, 1972...

Then I go on to Section 2:

On and after April 1, 1972 no insurer shall charge the proposed rates filed under subsection (1) or the proposed rates filed under section 321.3, subsection (3) or any other rate for the minimum insurance unless: (a) the rates have been approved by the Board, or (b) the rates having been filed with the Board for 60 days the Board has neither approved nor prohibited the increase.

Then I want to go over to 321.5, and I read, "An insurer who (a) fails to file its rates"; and then down to (c), "charges the proposed rate prior to its approval"; and I go down to the main clause, "is guilty of an offence and liable on conviction to a fine of not more than \$5,000."

The purpose in reading this section, Mr. Speaker, is to bring to the attention of the hon. members what the law in this province is, to reiterate that, number one, there is a pre-approval required of insurance rates before they are charged. If pre-approval of the rates is not given, then there is a penalty involved.

Now I come to snowmobile insurance. The government last fall apparently suddenly decided that snowmobile insurance would become compulsory and would be tied in with automobile insurance, and an Order-in-Council was passed in that line.

I wrote to the chairman of the Automobile Insurance Board at that time. I will read the letter, and if the hon. members want it, table it: to the chairman of the Automobile Insurance Board, December 5, 1972:

I will appreciate greatly if you will advise me if approval has been given to the various insurance companies for the premiums presently being charged for snowmobile insurance -- that is public liability and property damage and the accident benefits. I would appreciate knowing the major rates that have been approved.

Thanking you for this information, and with kindest regards, I remain....

Now I wrote this letter because I had received many complaints from snowmobilers -- that of rates being charged, some on a six-month basis and some on a yearly basis, these rates appeared to be the same. In further checking the rates, I ascertained that practically all rates being charged in Alberta by practically all companies were exactly the same, which immediately aroused some suspicion.

Well, I didn't receive an answer from the Insurance Board, although I did receive a telephone call on January 26 from a lady who is apparently the secretary of the Automobile Insurance Board. My letter went out on December 5 and this lady phoned me to ascertain what I had in mind. I advised her what I had in mind, that the rates are all the same, that I wanted to know what rates the Board had approved, the dates of those approval, and so on.

She thanked me and said she'd bring it to the attention of her board, and then on February 7 the next thing I received was a letter signed by the Chairman of the Board, Mr. D.O. Sabey. In this letter, February 7, 1973, he wrote as follows:

Prior to receipt of your letter of December 5th, 1972, we had written to the representative of the Insurance Bureau of Canada to express the concern of the Board with snowmobile insurance.

The Board has now found it necessary to take further steps and has sent to each insurer doing business in Alberta, the enclosed letter which I am sure you will find of interest.

And I certainly found it of interest. I'd like to read the letter, dated February 1, that was apparently sent to all insurance companies in Alberta, and I quote:

The Board is concerned about the insurance premiums being charged to snowmobile owners and requires that you provide this Board with the justification for the premiums your company is charging. Please include an explanation of your policy on premium rebates if the insurance coverage is cancelled before the end of the year.

We are equally concerned with premiums charged for motorcycle owners. We had thought that two of the problems that came to light last year were to be corrected. We were led to believe that premium rebates would be made

when the coverage was cancelled before the full premium had been earned. We were also advised that companies would issue endorsements to exclude passenger-hazard coverage where appropriate. As you know, a form of endorsement for this exclusion was approved by the Superintendent of Insurance. We now have reason to believe that very few, if any, of the companies have cooperated.

So that we can examine the motorcycle insurance position before the 1973 season starts we will require your rates and justification for the rates as well as a statement of your policy and practice with regard to premium rebates on cancelled coverage and the exclusion of passenger-hazard coverage.

All the above information should be submitted to the Board prior to February 15, 1973. If you consider it essential to meet with the Board to support your written submission, arrangements may be made for a meeting during the week of February 19, 1973.

In cases where no submissions are filed by February 15, 1973, or where, in the Board's opinion the rates do not appear justified, an order to reduce rates may be issued.

Now, the next letter I received was on February 23, and this is a letter that went to insurance companies. It's to all automobile insurers licensed in Alberta, and it's a letter signed by Mr. Sabey, the chairman of the Automobile Insurance Board. In this he writes as follows:

Having investigated the rates of insurers for minimum insurance for motorized snow vehicles in Alberta, and having considered the various replies received from insurers pursuant to the request of the Alberta Automobile Insurance Board, dated February 1st, 1973, and upon it appearing none of the companies have justified to the satisfaction of the Board the rates presently being charged for motorized snow vehicles, and upon it appearing that those companies who did respond have advised the Board that there is presently insufficient data for such justification and upon it appearing that such data or statistics may be made available in the future, at which time further application may be made,

the Alberta Automobile Insurance Board, effective immediately, hereby orders that:

- (1) the maximum rate to be charged by an insurer for the minimum insurance for motorized snow vehicles in Alberta shall be such that the amount of the premium for the minimum insurance, together with the premium for passenger hazard, shall not exceed \$30.00 per annum per vehicle;
- (2) there shall be no additional rate for minimum insurance on any sled, sleigh or trailer pulled by, or attached to, such motorized snow vehicle;
- (3) subject to a \$15 Minimum Retained Premium, there shall be a refund of premium upon cancellation of a policy for minimum insurance for motorized snow vehicles according to an Earned Premium Schedule as follows:

| | |
|-----------|-----|
| January | 25% |
| February | 25% |
| March | 15% |
| April | Nil |
| May | Nil |
| June | Nil |
| July | Nil |
| August | Nil |
| September | Nil |
| October | Nil |
| November | 10% |
| December | 25% |

Evidence of sale of the machine shall not be required for cancellation.

Signed, the Automobile Insurance Board and signed by Mr. Sabey.

Mr. Speaker, here we have prima facie evidence of a very serious breach on the part of the Insurance Board and the government. The hon. Attorney General is responsible for the actions of the Alberta Automobile Insurance Board.

In the first place, the rates were not approved, as required by law. I think I want to emphasize that -- the government went ahead and required compulsory insurance, and then the rates as required by law were not approved by the board. Each company went its own way and apparently charged whatever rate it wanted to charge, a complete defiance of the law in existence in the province. Then when the matter was brought to the attention of the board, the board wrote to the companies and asked them for justification.

Here again is a very odd procedure and behaviour on the part of the board. The board is required by law to approve the rates, before they are charged, and the companies are required to justify those rates to the board, prior to the rates being charged. Here we have, in February, the board asking the companies to justify the rates that had been charged since December of the previous year.

The serious part of it was that the snowmobilers across the province became very alarmed at the high rates, the unfair rates, that were being charged. The companies, apparently, had no statistics in Alberta upon which to base rates and so -- and I don't know what other conclusion can be reached -- they based their rates on the accident record of snowmobiles in eastern Canada and charged an unduly high rate.

Later, after the matter was brought to the attention of the board and after the board wrote to the companies, the board established a rate of \$30 per annum and established a refund on that particular premium. But this is two months later, two months after the rates were charged.

So, Mr. Speaker, no wonder the snowmobilers in the province became very, very alarmed. In the first place there appeared to be some type of monopoly being generated where practically all rates were being charged exactly the same, irrespective of a number of factors. But more seriously, they were charging rates that had not been approved by the board.

And now I come to the part where I think the people who are required to pay that rate want some satisfaction. The law was broken by the insurance companies, the law was broken by the Alberta Automobile Insurance Board. Consequently, the government now has a responsibility to deal with this matter.

There are a number of things that can be done. It can invoke the penalty set out in the Act for failure to comply with the law of the province. That may get some money from the insurance companies.

Secondly, it may require a refund of everything above the \$30 that was charged by any insurance company and I think that should be done.

These people should not be required to have to pay more than the \$30 that was later, certainly two months later, approved by the board, because surely the board would have approved the same rate had it done it according to the law. Consequently persons who were paying more than that rate should now certainly have that money, the excess, refunded.

The cancellation part should come in later if they cancel their policy. It was written for a year and they cancel it in three months, the rates are set out, I don't think anybody is arguing about that. But there is certainly a very definite argument that the people who paid more than what they were later required to pay should have that excess refunded to them by the insurance companies.

I don't think there is any two ways about that, I think the government should undertake to see that all snowmobilers have that amount refunded to them.

The other part that I think is very serious is government board not complying with the Act. Now I think maybe it would be argued that the government entered into this thing in haste and consequently the board didn't have time. But I don't think that is satisfactory.

The government had no dictation from the Legislature that it had to place compulsory insurance on snowmobiles. This was a decision of the government, the government should have foreseen the difficulty in getting approval for its rates before it passed its Order-in-Council. So to say the very least, Mr. Speaker, the matter was handled in a very sloppy manner. The law was broken, and as a result many people had to pay much more than they should have paid for insurance.

Now I think we have to see what the government is prepared to do in regard to this breaking of the law by insurance companies and by the board itself which is under a department of the government. Certainly, if people outside are going

to be punished for breaking the law, then the government has to set an example and let us see what it is going to do, having broken its own law in regard to this matter.

Mr. Speaker, there is a similar story that can be said about motorcycles. I'm not going through that in length and breadth. But the motorcycle situation was somewhat similar. Here we have the board writing to the insurance companies on February 23, 1973 asking for justification of the rates that they have been charging. The board is required by law to have approved those rates for public liability and property damage and accident benefits.

So again, in connection with motorcycles, the board did not live up to the law and again we have the same situation where motorcyclists may well have been paying -- I haven't made an analysis of all motorcycle insurance, but there is some indication that motorcyclists have been paying far more than they should have been required to pay, based on the rate the board later established. So again, we have the same breach of the law by the insurance companies in connection with motorcycles. Again, I say there is responsibility on the government to handle this from a disciplinary point of view in regard to the board, but also to make sure that the motorcyclists who took out this insurance are not going to be penalized and they will have the excess amount returned to them.

I just want to say one or two words about some other general matters, Mr. Speaker. The first one is in regard to the cost of living today. The number of jobs has increased and there are people who are receiving wages in jobs but I think we have to pinpoint the thing that is really worrying many people. Those without jobs have a very high cost of living to meet. They're worse off than people in probably most other periods of the history of our country because the cost of living is so high and they have no income at all.

The increase in regard to those on public welfare raises it slightly above a dollar a day and I challenge the hon. members of this Legislature to try to live on a dollar a day. They might exist but they certainly can't live. These people have a concern and I think we, as legislators, have a responsibility with regard to these people who cannot help themselves.

Then there is a second group, those on fixed incomes. This has been mentioned in this Legislature before. They have a very severe problem. They just can't meet the costs and they're certainly being very concerned and very worried.

But there is a third group I think we should consider because very little attention has been paid to them. That is, the people in industry, government and all types of labour who have jobs but who are on the lower income side of those jobs. These people have a real worry today. They're living below the poverty level, and a third of the people of this province are living below the poverty level including many of those who have jobs. They just are not getting enough to meet the cost of living.

That's why we see people concerned about the increased price of food, the increased price of doing almost anything, recreation, clothes and everyday living. The cost is getting so high that the people just can't meet those costs. There's a lot of worry and a lot of concern. And these are the people I think we have to start giving some attention to.

I would like the Minister of Manpower and Labour in this province and some government in this province or in this country to start giving the greater increases to those in the lower-income brackets for a change. The big increases go to those at the top of the brackets, companies and government and so on. It's about time we started to consider those in the lower-income brackets, give them a break, enable them to live. Because while we talk about the jobs and so on, we hear the government talk about the benefits of their taxation program, lower taxation -- few people will be dollars ahead. Most people will be dollars behind because the cost of living is eating up the benefits a few of these people will receive in regard to taxation on their homes. The total picture has to be considered, and this total picture is not good for the third of the people of this province who are living below the poverty level.

I don't think it's good enough for us simply to say that everything is wonderful in good, old Alberta because we have an excellent budget and a high income and so on. This isn't good enough. I think our responsibility is to try and help those who are unable to help themselves. The others can get along fine. But these people on no-income and those in the lower-income brackets and those on fixed incomes certainly require some attention from this provincial government and this federal government.

Now we hear about means of trying to help these people to meet these increased costs. And there's a lot of worry in scores of homes across this province today because they just don't know how they are going to meet the increased cost of living, where they are going to get the dollars to buy food at the increased prices and clothes, et cetera.

No wonder there's talk in Ottawa about price and wage controls. The price and wage controls would certainly not help those in the lower-income brackets as far as wages are concerned but I notice that the hon. Premier this afternoon took a very definite stand against price and wage controls. He mentioned that would cost the people of Alberta millions of dollars. Well, maybe a complete study would indicate this, but I'm wondering why the federal Progressive Conservative Party is asking for temporary price and wage controls if it's going to cost the people of the country and the people of Alberta millions of dollars. I think the two parties should be getting together. Because here we have the leader of the federal party urging this, talking about establishing it, and the leader of the Progressive Conservative Party in Alberta taking a very definite stand against it.

What method is going to be used? I don't think most of the people care. Those who are having a difficult time living today, meeting the increased cost of living, I don't think we should expect them to try to find the solution. Many of them thought that a control on the price of staples would help them a great deal, and I don't think it's difficult to ascertain how it would help many of these people in this regard.

I'm not going to suggest to the government what method it should be using. There are a number of methods by which the people in the lower-income brackets who are working on fixed incomes or without incomes can be helped. Certainly one way of doing it would be to enable our stores to sell the main staples of bread, milk and some meats at cost. From this tremendous bouyancy that is bringing millions of dollars into the coffers of the treasury, pay the profit. Pay the profit to the producers so they will be encouraged to produce, but the consumers should not have to go without the requirements. Because, Mr. Speaker, I say now and I say firmly that unless we do something to enable the people in the lower-income brackets, the fixed income and the no-income groups, to get enough of the staples of food, we are going to have a problem in the years ahead.

I heard a doctor say at the beginning of the last world war in Toronto that a third of the people were suffering from malnutrition. Many people were rejected. They couldn't join the armed forces because their bodies hadn't developed to where they could be expected to don a uniform and do their part in that uniform. The major reason was not because there wasn't food, but because the vast majority of these people just didn't have enough money to buy the food available in this country. So we went through a period when the country suffered because of the malnutrition of a great number of our young people of that time.

We will pay this price again in years ahead if we don't do something to make sure that those in the lower income brackets, those with fixed incomes and those without incomes, have an opportunity to buy the variety of foods required for the health of any individual.

There is one other point I want to mention, Mr. Speaker, before closing. That is the matter of the lower courts. We read in the paper the other day where a provincial judge refused to accept the decision of the senior provincial judge. I think this is enough to make people realize there is something wrong in the system when a judge has the authority given to him to direct another judge and that judge simply refuses and becomes insubordinate to the senior --

MR. SPEAKER:

Order please. I believe that if the hon. member has the intention of criticizing a member of the judiciary in this manner that it may be necessary for him to do so under a substantive motion.

MR. TAYLOR:

Mr. Speaker, I am not criticizing any member of the judiciary. I am criticizing the system. I am dealing with a situation that became public knowledge and I am urging the Attorney --

MR. SPEAKER:

The Chair understood the hon. member to refer to a certain judge and to say that he was insubordinate. I would submit, subject to further study of the point, that it would appear that to raise such a point would require a subsequent motion.

MR. TAYLOR:

Mr. Speaker, I have said what I wanted to say except to emphasize the point that I believe there is a responsibility on the part of the Attorney General in this province to not let a situation like this stand or continue. That is the point I am getting at, and I think that comes within the purview of this Legislature because it is the responsibility of the Attorney General. That is the point I am emphasizing and I think that part does indicate that there is something radically wrong in the lower court system that has to be rectified when an item like this becomes the front page story of our newspapers.

Mr. Speaker, I think I have covered the items I wanted to cover and I will now close my part of this debate.

MISS HUNLEY:

May I close the debate?

MR. SPEAKER:

May the hon. minister have leave to adjourn the debate?

HON. MEMBERS:

Agreed.

Mr. Hyndman proposed the following motion to the Assembly, seconded by Dr. Backus:

Be it resolved that when the House adjourns on Wednesday, April 18, 1973, it shall stand adjourned until Wednesday, April 25, 1973 at 2:30 o'clock.

MR. SPEAKER:

Having heard the motion by the hon. Government House Leader, is there any debate?

[The motion was carried.]

MR. HYNDMAN:

Mr. Speaker, I move that we now call it 5:30 and the House adjourn until Wednesday, April 25, 1973 at 2:30 o'clock.

MR. SPEAKER:

Having heard the further motion by the hon. Government House Leader do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until next Wednesday at 2:30 o'clock.

[The House rose at 5:26 o'clock.]