

LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, March 17th, 1972

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF VISITORS

MR. HYNDMAN:

Mr. Speaker, it's a very special pleasure for me today to be able to introduce to you and through you to all members of the Assembly some 43 Grade VII students from St. Vincent School in my constituency. They are accompanied by their teacher Mr. Gordon Harris. They are in the Member's Gallery and I would ask that they stand and receive the recognition of the House at this time.

DR. BOUVIER:

Mr. Speaker, I wish to introduce to you and through you to the members of the Assembly 24 students from the Rich Lake School in my constituency. They are accompanied by their teachers Mr. John Yaremko and Mrs. Ruth Kumpula. They are here to view the Legislature in action and I understand later on this afternoon will be visiting the Father Lacombe Museum at St. Albert. I'd like them to stand and receive the recognition of the House.

DR. WARRACK:

Mr. Speaker, it's my pleasure to introduce to you and through you to the members of this Assembly the first group that has come from a school in the Three Hills constituency to visit us and observe the action in this Legislative Assembly. They're from the Social Studies High School class at Acme, Alberta, 32 in number, seated in both galleries along with teachers Mr. Carl Christenson, Mr. Peter Kuiken, and adults Orest and Francis Lukey from Acme, Alberta.

MR. APPLEBY:

Mr. Speaker, it's my privilege this afternoon to introduce to you a group of 24 students from the Edwin Parr Composite High School in Athabasca. They are seated in the members gallery and they are accompanied by Mr. John Roberts, their teacher in the Law 20 class. I would ask them now to rise and be recognized by the members.

DR. BACKUS:

Mr. Speaker, I would like to introduce to you and through you to the members of the Assembly, five students from the Grande Prairie Regional College and their teacher Miss Irene Hutton who have come all the way from Grande Prairie to examine the proceedings in this Assembly. I would now ask them to stand and be recognized.

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DR. PAPROSKI:

Mr. Speaker, I would like to recognize the Irish on St. Patrick's Day, and hope the Irish will have peace in the very near future.

FILING RETURNS AND TABLING REPORTS

MR. CRAWFORD:

Mr. Speaker, I would like to file five reports as required by statute: the report of the Alberta Alcoholism and Drug Abuse Commission, the report under the Blind Person's Act, the report under the Disabled Persons Act, the report under the Old Age Assistance Act, and the report pursuant to the Public Contributions Act.

MR. MINIELY:

Mr. Speaker, I would like to table for the information of the House as required under the Financial Administration Act the remissions and writings off under the Financial Administration Act.

DR. HOHOL:

Mr. Speaker, I should like to file three reports this afternoon: the annual report for the Consumer Affairs Branch, December 31, 1971; the Regulations adopted during 1971 under The Electrical Protection Act, and the fifth annual report of the Pension Benefits Act, year ending December 8, 1971.

MR. FOSTER:

Mr. Speaker, I would like to table the annual reports of the Alberta universities, being Athabasca University, The University of Alberta, The University of Lethbridge and The University of Calgary. I regret to advise the House, Mr. Speaker, that the annual report of the Universities Commission is not ready for tabling at this time. It is presently being printed, and I beg the indulgence, Mr. Speaker, of the House. We will table that as soon as it's available.

MISS HUNLEY:

Mr. Speaker, I wish to file two returns, the fourth annual report from the Human Resources Research Council and the annual report of the Alberta Health Care Insurance Commission, for the year ended June 30, 1971.

MR. SCHMID:

Mr. Speaker, I would like to table the first annual report of the Department of Culture, Youth and Recreation, as required by Section VIII of the Department of Public Culture, Youth and Recreation Act. This report also includes the annual report of the Public Documents Committee tabled as required by Section IX of the Public Documents Act.

ORAL QUESTION PERIOD

Senate and Commons Joint Special Committee

MR. STRCM:

Mr. Speaker, I would like to direct this question to the hon. Premier. I note the report of the special committee of the Commons

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and Senate has now been released, and I'm wondering if the hon. Premier has received a copy of the report?

MR. LOUGHEED:

Mr. Speaker, I'll refer that question to the Minister of Federal and Intergovernmental Affairs.

MR. GETTY:

Mr. Speaker, the report will be in my office some time today. It's not here yet.

MR. STROM:

Mr. Speaker, a supplementary question. I'm wondering whether or not the government will be getting enough reports so that they will be able to make copies available to the members of the House. While I'm at it, I've noted that they have nodded that they will, and I appreciate that. Thank you very much. I note in the report that the hon. Minister of Intergovernmental Affairs has said that Alberta agrees with many of the points raised, and I'm wondering, is he prepared to make a statement to the House at this time outlining the areas in which they are in agreement?

MR. GETTY:

Mr. Speaker, the hon. Leader of the Opposition has referred, I think, to a press report. Is that correct? Some of the things which, I understand, are in this report are the same type of things that we've been speaking about at federal-provincial conferences. That's in the press release that I saw. I was referring to such things as, Canada indeed should have a new constitution; that Canadians should be able to change their own constitution; that there should be a clear division of powers and the taxing authority to go with them; that type of thing, Mr. Speaker, which I understand, is in the report, and those are the things we've been saying.

MR. STROM:

Mr. Speaker, I'm wondering if the hon. minister can give us any indication at this time as to whether or not the government will be giving consideration to this report very soon, and if they will be reporting to the House very shortly in regard to the report itself?

MR. GETTY:

Well, Mr. Speaker, I can assure the hon. member that we will be giving consideration to the report. We will attempt to get a copy for all the members. However, in terms of reporting to the House on our position with regard to the report, that's another matter, Mr. Speaker. I have not yet heard the federal government's position regarding the report, and I think we'd like to hear that as well.

MR. STROM:

Thank you, Mr. Speaker. The last question that I would like to raise again, maybe the government can't answer it as yet, but I am very interested in knowing if we can expect a position paper very shortly on the government's position on constitutional matters.

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MR. LOUGHEED:

Mr. Speaker, I believe I answered the hon. member on that point a few days ago. Our position is that we've not yet come to a conclusion whether during the course of this Session, we will be in a position to present to the House any firm views of the administration.

On the other hand, I hope within the course of not too many days to be able to report to the House on our approach to that matter, and whether or not it will be a position paper or a matter that will take further review beyond the session.

Federal Sales Tax on Production Machinery

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Provincial Treasurer. Can the Provincial Treasurer tell the House whether any representation was made by this government to the federal government with respect to the remission by the federal government of some \$6 million in sales tax on machinery installed by Great Canadian Oil Sands Limited?

MR. MINIELY:

No.

MR. NOTLEY:

Supplementary question. Could the hon. minister advise the House whether the government approves the principle of that decision by the Ottawa government?

MR. MINIELY:

Are you referring to sales tax on farm machinery?

MR. NOTLEY:

I am referring to sales tax on machinery paid by Great Canadian Oil Sands in the McMurray Tar Sands project.

MR. MINIELY:

Certainly, Mr. Speaker. In reply to the hon. member's question, we'd be happy to investigate the matter and report back to you.

MR. NOTLEY:

Supplementary question again on this issue. This can either go to the hon. Provincial Treasurer or to the hon. Minister of Mines and Minerals. In view of this rather unexpected windfall by Great Canadian Oil Sands, does the government plan to reinstate the former royalty schedule, that royalty schedule enforced before May of 1970, and use that schedule rather than the present one as a base in calculating future royalties in the tar sands?

MR. DICKIE:

Mr. Speaker, perhaps I could answer that and say I presently have before me a request by Great Canadian Oil Sands for a further remission of royalty and a variation of that royalty. It's presently being considered by members of Cabinet for submission to the Executive Council for their decision.

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Calgary City Police

MR. WILSON:

Mr. Speaker, I have a question of the hon. the Attorney General. Have there been any developments this week in Calgary requiring your department to investigate the activities of certain city policemen?

MR. LEITCH:

Mr. Speaker, there was a news release which I believe originated with Station CKXL in Calgary, and I assume that is what the hon. member is referring to. As a result of information I have received in connection with that news release, I did ask for some reports from the City of Calgary Police, and have received them. I should say that the news release referred to an investigation by my department; I wouldn't have used the term 'investigation'; it was a request by me for some information.

MR. WILSON:

Supplementary, Mr. Speaker. Would the hon. the Attorney General be expecting to advise this House if there is anything untoward as a result of the information he receives?

MR. LEITCH:

Yes, Mr. Speaker. If there was anything untoward I would, subject to considering its nature, advise the House. I may say to the hon. member that I have received considerable information about the incident, and I have found nothing untoward about it.

Automobile Insurance Rates

MR. TAYLOR:

Mr. Speaker, may I direct a question to the hon. the Attorney General? Are the premiums for third party liability and the accident package effective April 1st higher or lower than those in effect during 1971?

MR. LEITCH:

Mr. Speaker, that's not a question I can answer yes or no to. And, in fact, the answer to that question involves a great deal of detailed information. There are several hundred different rates involved in the total insurance structure within the province. I have obtained this preliminary information and I want to stress that it is of a very preliminary nature, indicating that the total amount of insurance premiums that would be taken out of the province this year, or charged by the insurers in the province this year, would be something under 4% more than what was charged last year if all of the vehicles that will be insured this year had been insured last year. So, that's the total percentage figure. However, there are five different areas within the province and a great number of different classes in insurance, and in some cases and in some areas and in some classes the premium increase will be much higher than that, whereas in other cases and other classes it will be much lower. But our preliminary indications, and I again want to stress that they're preliminary, are that the total amount of money would be somewhat less than a 4% increase.

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MR. TAYLOR:

Supplementary, Mr. Speaker. Have the rates that will be put into effect April 1st now been approved by the government watchdog committee?

MR. LEITCH:

I should say, first of all, that this is not really a watchdog committee although I think the hon. member may be using a phrase that I used at some time. It's a board set up under the legislation that was passed last year, and it's called the Automobile Insurance Board, and they don't approve them in the sense of issuing a formal approval. The rates are approved if the board has not done anything about them within 60 days after they are filed. However, that doesn't mean that the board can't change them thereafter. The legislation, as I recall it, provides authority for the board to change them thereafter.

MR. TAYLOR:

Mr. Speaker, is the intent of the legislation not then being followed? This was the first province in Canada to undertake this type of examination, will this pre-examination of rates be effective if the Insurance Board does not issue an approval? Otherwise the boards will be in exactly the same position as they were before with a compulsory package, and this is the very thing that the hon. members of the Legislature, I believe on both sides, did not want to happen in connection with compulsory insurance.

MR. LEITCH:

Mr. Speaker, I disagree with the statement of the hon. member. I should say that we have had this difficulty; that act was passed at the sitting of this Legislature a year ago. It provided for a board to be appointed to do the work called for under the act. We came into office in September, and notwithstanding the fact that the legislation had been passed at the last session and the need for the board was established by that legislation, there was no board appointed. So when this government took office in September, we had to then do the work necessary preparatory to appointing a board. The board was appointed not long ago - in late December as I recall it - and there is a tremendous amount of work for them to do with these insurance premiums before the April 1st date. Now, I expect the board will be holding some hearings on insurance rates in the immediate future, but as to the board not carrying out the intention of the Legislature, Mr. Speaker, I think that is not so at all.

MR. TAYLOR:

Mr. Speaker, a supplementary. If the board does not have the authority to say to insurance companies, this rate is too high, why are we appointing a board? That was the purpose in appointing the board.

MR. LEITCH:

Mr. Speaker, the board clearly has that authority and the hon. members should recall legislation that his government passed last year. It gave them that authority, and as I have said in earlier answers, notwithstanding the passing of the 60 day period, the board still has the authority to require the insurance company to alter its rates.

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MR. TAYLOR:

One supplementary, Mr. Speaker. If the Board requires the insurance companies to alter its rates after they go into effect April 1st, will it also insist on a refund being made to all policy holders if they have paid more than that which the board eventually approves?

MR. LEITCH:

That Mr. Speaker, is a question I can't answer at the moment. I would want to review the legislation and also discuss the matter with the board.

MR. NOTLEY:

Mr. Speaker, on this matter, in view of the fact that the program comes into effect on April 1st, can the hon. Attorney General advise us as to whether or not the board is, in fact, examining this 4% increase across the board that he talked about? Has he any specific information to the effect that some of these rate increases will be examined by the board?

MR. LEITCH:

Mr. Speaker, I should first of all correct one statement by the hon. member, in that I didn't refer to a 4% increase across the board. I was talking about the total amount of insurance premium dollars paid by car owners, and I wouldn't call that a 4% increase across the board. And, I am sorry I have forgotten the second part of the hon. member's question.

MR. NOTLEY:

The question was just simply this. Have you any information that the board in fact is examining these projected rate increases?

MR. LEITCH:

Yes, the board has been carrying out an examination of these. There is a great deal of statistical information to gather and we will need to retain some actuarial help to assist the board, and we are in the process of doing that.

MR. SPEAKER:

The hon. Member for Olds - Didsbury.

Student Accommodation Rates

MR. CLARK:

I would like to direct a question to the hon. Minister of Municipal Affairs and ask him if he plans any changes in the appropriate municipal legislation which would affect the rent increases for students at the University of Alberta and University of Calgary. The hon. minister is familiar with the fact that this relates to the matter of taxation of university businesses.

MR. RUSSELL:

That kind of legislation is not proposed at this Session, Mr. Speaker.

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MR. SPEAKER:

The hon. Member for Camrose, followed by the hon. Member for Calgary North Hill.

Grain Shipment

MR. STRCMBERG:

Thank you Mr. Speaker. A question to the Minister of Agriculture. Will you be making representation to the Alberta Wheat Pool to see if the boxcar allotment previously applied to federal grain will be available to federal grain customers up to the end of the current crop year?

DR. HOBNER:

Yes, Mr. Speaker. This is a matter of a great deal of importance to some of the farmers in various delivery points in Alberta and I have already asked the chairman of the new Grain Commission to look into this matter, as it has to do with the Bracken formula for allocation of boxcars and we want to make sure that the marketing opportunity, in a general way, is maintained fully for Alberta farmers.

MR. SPEAKER:

The hon. Member for Calgary North Hill.

Federal Sales Tax on Production Machinery (cont'd)

MR. FARRAN:

Mr. Speaker, I have a question for the hon. Provincial Treasurer. This is just a change, Sir, until we can think of some other subject. Did you gather from the question to the hon. Provincial Treasurer from the hon. Member for Spirit River - Fairview that the member favours a federal sales tax on production machinery?

MR. SPEAKER:

Order please. I think this is a matter that the hon. member is asking for an interpretation of the question rather than asking a question.

MR. FARRAN:

Okay, I'll put it another way. Is it not true that federal sales tax is mainly intended to apply to manufactured goods at factory gate and it's doubtful if industrial machinery not for resale is liable to tax even if it doesn't ...

MR. LEITCH:

Mr. Speaker, I don't know the answer.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Calgary McCall.

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Calgary Office Space

MR. LUDWIG:

Mr. Speaker, I would like to direct a question to the hon. Minister of Public Works with regard to the advertisement for 25,000 square feet of office space in Calgary. I would like the hon. minister to explain to the Legislature why the request for space was restricted to the areas bounded by 9th Avenue SW as the northern border of the area in which they want office space, 17th Avenue on the south, 4th Street SW on the east and 14th Street SW on the west. The advertisement reads that that is the area in which the department has requested tendering of office space. My question is - on whose recommendation was this area delineated in the manner that it was, and can the minister tell us whether there are any offices of the size that he requested in that space?

DR. BACKUS:

Mr. Speaker, as the member well knows, the Department of Public Works acts as agents in these matters for other departments and therefore in requesting a specific area for our requirements for office space, it is normally because the client department requested that it be located in a site which is probably more convenient for its total operation. With regard to the second part of his question - we will see what tenders we get in, and then know whether there is space available in this area.

MR. LUDWIG:

Mr. Speaker, a further question - I asked the hon. minister if he knows, since he advised the department, whether there are any offices of this size available in this area.

DR. BACKUS:

I don't actually know of them. If they are requested in this area and people tender for it, then we will know whether there are. If there aren't any - then there would probably be no reason why somebody couldn't tender for the offices, if they were prepared to build them.

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Federal Sales Tax on Production Machinery

MR. LUDWIG:

Mr. Speaker, a further supplementary question. In the event that the minister does not know whether this type of office space is available in this particular area, why wasn't the advertisement for office space at large, to determine what is the best space available for the department, rather than restricting it to an area where there will be no competition at all?

MR. SPEAKER:

The hon. member for Calgary McCall followed by the hon. member for Edmonton Kingsway.

Home Owners' Grants

MR. HC LEM:

Mr. Speaker, I have a question for the hon. Minister for Municipal Affairs. The question is with regard to the Alberta Hansard. You will recall Mr. Minister I asked you the question on home owners' grants. And on the transcript it says "Mr. Russell replied - inaudible". Now I know, Mr. Speaker, that the minister can be very 'audible' at times, and I am wondering if I asked this question again, if he would be more audible?

MR. RUSSELL:

Yes.

MR. HC LEM:

Thank you, Mr. Minister, and I will ask you the question again. And the question is, in view of the statements you made at a certain meeting, will there be a change in the Home Owners' Grants? Will they be discontinued?

MR. RUSSELL:

Mr. Speaker, as I have said on numerous occasions before to the hon. member, if he could just contain his curiosity another few hours, that question will be handled with the Provincial Budget.

MR. SPEAKER:

A supplementary?

MR. HO LEM:

Yes, supplementary, Mr. Speaker, it's not the question of my curiosity. I think the point is that the people of Alberta want to know about this.

MR. SPEAKER:

The hon. member -- order please -- the hon. member is not permitted to debate the question. The member for Edmonton Kingsway.

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Transportation

DR. PAFROSKI:

Mr. Speaker, I would like to direct this question to the hon. Minister in charge of Transportation. What is his department doing to overcome the many inequities in the area of transportation in this province which he has inherited from the previous administration?

MR. PEACOCK:

Mr. Speaker, I am glad that I have the opportunity to review our program. I think, Mr. Speaker, in the interest of this House, that hon. members should know that we have organized the Pacific Transportation Council, involving Saskatchewan, Alberta and B.C. We also have revitalized the Prairie Economic Council in the area of transportation to include Manitoba, Saskatchewan and Alberta. Through these affiliations we'll have the opportunity to review the physical requirement for transportation in the West. And our own department is re-organized in order to review the economic problems that are presenting us with the problems of developing industry and being competitive in Alberta. We're utilizing not only our own department but consulting firms outside.

Rapid Transit in Edmonton

DR. BUCK:

Mr. Speaker, I would like to ask question of the hon. Minister of Highways. Is it his government's policy or is it just his personal opinion that Edmonton does not need help with rapid transit?

MR. COPITHORNE:

Mr. Speaker, I think that particular question is a question that the people that govern Edmonton have to answer themselves. As the policy has been in the past, there was \$4 1/2 million available from this department on approved projects that were taken on by Edmonton. We have lived up to that commitment as far as I can find in the records. Certainly we will be in a few hours time announcing further programs, and in the next couple of weeks they will be revealed as well.

DR. BUCK:

Supplementary, Mr. Speaker, I want to know from the hon. minister if it is the policy of the government to support rapid transit, or do you not believe in the concept?

MR. COPITHORNE:

Well, Mr. Speaker, I think that we have many ways of transporting people whether it's rapid or slow, and that's debatable from time to time. I've been in traffic jams where I thought a saddle horse would have been a lot faster than the vehicle that I was using. But certainly if there is a need for it, and if the people who are elected by the citizens of Edmonton feel that strongly about it, then there will be ways found to develop them.

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Senior Citizen Accommodation

MR. MCORE:

Mr. Speaker, a question for either the hon. Minister of Municipal Affairs or the hon. Minister of Health and Social Development. When will the minister be able to tell the House where and when new senior citizen lodges will be built in Alberta during the coming fiscal year? My understanding is that they have to have the approval of both the Hospital Services Commission and the Alberta Housing Corporation.

MR. CRAWFORD:

Mr. Speaker, that is, of course, a continuing program, and I'd be pleased to review it with the hon. member in respect to his particular direct interest at any time, and of course, the same applies to all other members.

Herbicides as Clearing Agents

MR. DRAIN:

Mr. Speaker, I'd like to ask a question of the hon. Minister of Environment in the hope that we do not start a three way checker game with the hon. Minister of Health. And I would like to ask the hon. Minister of Environment whether there is any considerable use of herbicides as a clearing agent in the province at this time.

MR. YURKO:

If I understand the question, Mr. Speaker, the question was whether or not there is considerable use of herbicides as a clearing agent in the province at this time.

Mr. Speaker, this area has concerned me to some degree and I've asked the Conservation and Utilization Committee of the department to look into this area and report to me, and as yet I don't have the report on the matter.

MR. SPEAKER:

The hon. member for Spirit River-Fairview followed by the hon. member for Calgary Millican.

Oil and Gas Prices

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Mines and Minerals. Does his government support the position taken by the two major utility companies in this province, Canadian Western Natural Gas and Northwestern Utilities, in their brief to the Energy Resources Conservation Board which argues that any increase in price should be as a result of an imposition of a royalty, rather than an increased well head price?

MR. DICKIE:

Mr. Speaker, may I say to that, I think there are some 31 briefs that have been submitted to the Energy Resources Conservation Board. We are looking forward to reviewing them all and then making our decision after that time on these other areas.

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MR. NOTLEY:

A question Mr. Speaker. Has the government determined an official policy yet with respect to a two price system for natural gas in Alberta?

MR. DICKIE:

The government hasn't decided its position on a two price system for gas.

MR. NOTLEY:

Supplementary question, this time to the hon. Minister of Intergovernmental Affairs. In view of the renegotiation of oil royalties and natural gas royalties which will be taking place this year, do you intend to ask the federal government to seek Canadian membership in the organization of petroleum exporting countries?

MR. GETTY:

I haven't considered doing that, Mr. Speaker. If there are some good arguments that the member would like to place before the House, I certainly would consider it.

Grain Storage

MR. DIXON:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Agriculture. Is the provincial government giving any consideration to setting up a storage corporation to store grain on farms within the province, or the provincial government acting as an agent of the Canadian Wheat Board?

DR. HOBNER:

Mr. Speaker, I appreciate that the hon. member is referring to the bill that I introduced as a private member sometime ago in the previous sessions of this Legislature. I'd like to say to him, that out of that bill, a concept was developed for the Alberta Grain Commission which we have already announced, and it will be the responsibility of the Grain Commission to look at the problems of storage and the question of payment or some type of stabilization of price. I think we outlined that in our position paper in relation to grain.

MR. SPEAKER:

The hon. member for Drumheller.

Order Paper Misprint

MR. TAYLOR:

Mr. Speaker, may I direct a question to the hon. Minister of Education, and/or the hon. Minister of Intergovernment Affairs? Is the wording of government Motion 4 indicative that the government is living in the past and is one full year behind?

MR. SPEAKER:

The hon. member for Bow Valley.

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Power & Pipeline Assessment Revenue

MR. MANDEVILLE:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Municipal Affairs. The question concerns the fact that at the last session of the Legislature Bill 25 was introduced to amend the Electric Power and Pipeline Assessment Act, and it was held over for further study. This was a bill to distribute the taxation revenue from pipelines, power transmission lines, rail right of ways and power generators. Will you be bringing in a bill to amend the act to distribute this revenue during this session of the Legislature?

MR. RUSSELL:

Mr. Speaker, I appreciate the member's question because it has generated considerable interest. The Department of Municipal Affairs recently compiled some data which showed the effect upon the various municipalities throughout the province should the policy be put into effect. That information was made available to the municipalities. The bill and the data that I referred to has been referred to the task force on municipal - provincial financing, and it's our intention at the present time to allow at least a year for the municipalities that are involved to have time to study and judge the effects of the proposed legislation.

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Defeated Conservative Candidates

MR. HENDERSON:

Mr. Speaker, I'd like to address a question to the hon. Premier. I wonder if the hon. Premier could advise the House as to whether the defeated Conservative candidates and the Conservative party workers who are now handling the dispersement of public funds in various parts of the province are also on the public payroll?

MR. LOUGHEED:

I think the hon. member should be more specific about the question, then perhaps I might be able to answer it.

MR. HENDERSON:

I'd be pleased to, Mr. Speaker. The Wetaskiwin Times, the last edition, showed a picture of the Conservative candidate in my constituency who was defeated in the last election and his campaign manager in the act of presenting a cheque for \$1,000 to the promoters of the Can-Am Snowmobile Races. I presume it was public money that he was presenting; at least this was what was indicated in the story, and I'm wondering - maybe it wasn't public money, maybe it was a donation from the Conservative party to this particular operation. What I'm simply asking, also, is whether the gentlemen involved are also on the public payroll or are they donating their services?

MR. LOUGHEED:

Mr. Speaker, I'm quite sure that they're donating their services. I'm also quite sure, although I'll check into the specific case involved, that the gentleman to whom the hon. member refers are citizens that have the respect of our administration within their community. I'll certainly do a review of the matter, but we have no qualms whatsoever in having individuals who, we feel, have standing in the various communities in Alberta acting as representatives on our behalf. With regard to this specific item, I'll be happy to look into it and try to give the member an answer.

MR. HENDERSON:

A supplemental, Mr. Speaker. I wonder if the hon. Premier could define what he means by community, because the candidate that was involved doesn't happen to live in Wetaskiwin, he lives in Leduc, so I think this is a pretty broad...

MR. LOUGHEED:

I think I'd have to respond to that on the basis that the hon. member is aware that there are many members in this House who represent areas, by virtue of the constituency setup where they live, other than the particular community where a specific event takes place.

MR. HENDERSON:

A supplementary, Mr. Speaker. Does the hon. Premier imply that the defeated Conservative candidate is a member of this House?

MR. SPEAKER:

I think the hon. member is asking for an interpretation. The hon. Member for Hanna-Cyen please.

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Power and Pipeline Assessment Revenue (cont'd.)

MR. FRENCH:

Mr. Speaker, I have a supplementary question to the hon. Minister of Municipal Affairs with respect to the question asked by the hon. Member for Bow Valley. Is the hon. minister prepared to table the information that was distributed to the municipalities or make it available to the members of the Legislature?

MR. RUSSELL:

I see no reason why it couldn't be tabled. As I recall it was statistical data that was made available to the municipalities, and if there's some indication from the hon. members that they'd like copies tabled, I believe it could be arranged.

MR. FRENCH:

The reason I'm asking it to be tabled, Mr. Minister, is the fact that you sent it out to the municipalities but it was not made available to the individual members, and I would request that it be tabled.

MR. RUSSELL:

In response to that, Mr. Speaker, of course we try to work bilaterally with the municipalities when they're affected, and because they had a prime interest in the case, we got the information out to them because they were very concerned about the affects about the proposed legislation. I take it from your comments that you'd like copies tabled for the members and I'll look into that.

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Smoky River.

Medicare

DR. BUCK:

Mr. Speaker, I would like to ask a question of the hon. minister responsible for the Medicare Commission. Hon. minister, I would like to know in view of the fact that there have been several prosecutions lately of people that are utilizing the fund - just in case you think I'm worried, I don't get access to these funds, unfortunately. I would like to know if you run a random sampling, or how do you happen to come across the ones that you have prosecuted, the medical people that are using the plan?

MISS HUNLEY:

Mr. Speaker, I'm not just sure whether he means the people who are being prosecuted for not paying their premiums, or whether he means some prosecutions that are involved with the receipt of payment for treatment.

DR. BUCK:

I mean the medical professionals that are administering the service. There have been recently one or two cases in which medical doctors have been prosecuted. Do you do a random sampling, or do you just check everybody's account, or just how do you do it?

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MISS HUNLEY:

Well, what actually happens, Mr. Speaker, when there's any question about the amount of the receipts that the practitioners receive, a profile is run on them, and their profile is discussed with the association concerned. Then the association disciplines the members themselves. But if you're referring to some of the cases that are before the courts concerned with fraud, I'm afraid I'm not able to discuss the question.

Beekeeping and Honey Production

MR. MOORE:

Mr. Speaker, a question for the hon. Minister of the Environment. Is your department considering any legislation with respect to protecting the honey industry and the bee-keepers from the effects of chemical spraying?

MR. YURKO:

Mr. Speaker, we're looking at some broad aspects of the whole area of the use of defoliating agents, for maintaining various right of ways in the province. One of the areas that we will be examining, of course, is the effect of sprays on the bee-keeping industry. I would also like to suggest that at this time, the Environment Conservation Authority has been scheduled to hold hearings in this whole area, and we recognize that it isn't an area that can be resolved immediately. Some time and study will be necessary in this area before a total approach to the problem can, in fact, be taken.

Film Censorship

MR. WILSON:

Mr. Speaker, I have a question of the Minister of Culture, Youth and Recreation. Is it the intention of the government to ban the entire special Academy Awards Television program in Alberta to prevent showing the "Clockwork Orange" film fest?

MR. SCHMID:

Mr. Speaker, I assumed the question was put in jest, but obviously as someone said 'answer the question', it wasn't, I guess. The Censorship Board, of course, will probably have to advise the minister what they are going to do about it.

MR. WILSON:

A supplementary, Mr. Speaker. Can I take it then, that there is no truth to the rumour that you had intended to preempt the entire program with film clips of government members speaking in the Legislature?

MR. SCHMID:

As I said already once, I think it was last week, that obviously this is a rumour, and should be taken as such.

MR. WILSON:

A supplementary, Mr. Speaker, then. Is the hon. minister in agreement that the actors are on the government side of the House, and the legislators are on the opposition side?

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MR. SCHMID:

Mr. Speaker, I would suggest to the hon. member who has asked the questions, he probably knows best himself where the actors really are.

Policy re: Presentation of Messages of Congratulations

MR. EUCKWELL:

Mr. Speaker, a question to the Premier. Further to the remarks of the hon. Member for Wetaskiwin, could the Premier give the members of the opposition some words of wisdom on presenting a birthday certificate or a wedding certificate on behalf of the hon. Premier. This has happened very often.

MR. LOUGHIEED:

Mr. Speaker, I think I'm confused with the question, and perhaps the hon. member could elaborate on it a little more so that I'd understand what he's getting at.

MR. BUCKWELL:

You've signed, or have had signed on your behalf, quite a number of congratulations from the Premier, and quite often the members of the Legislature are asked to present them. What do we do in presenting them in behalf of the hon. Premier? Should we consult the Conservative candidate, or should we give them ourselves?

MR. LOUGHIEED:

Mr. Speaker, there is no doubt in my mind that if the hon. Member of the Legislative Assembly wants to present it on my behalf, I'd be very pleased and honoured if he did so, and we'll try to work it out that way.

MR. BUCKWELL:

Supplementary, Mr. Premier. To be correct, can we present them on behalf of the Premier, or present them on behalf of the government? We're not taking credit for ourselves, it's on your behalf that we're doing it. Is it on behalf of you, yourself? Just a word of explanation. I did present one on behalf of you, and it was an embarrassing situation, because I'm a very firm supporter of this side of the House. And it was about two days after the changeover of government, and it was in your name. When I presented it, I presented it on behalf of the Premier, and was glad to see that he was carrying on the same tradition.

MR. LOUGHIEED:

Mr. Speaker, a word of clarification. As far as I'm concerned, I think it's the presentation of the congratulations or the other message on behalf of the office of the Premier of the Government of Alberta, and I'd be very pleased if hon. members on both sides of the House would feel in a position to do that personally.

Human Resources Development Authority

MR. R. SPEAKER:

Mr. Speaker, a question to the hon. Premier. In light of the actions that he has taken with the Human Resources Research Council

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and the Alberta Advisory Council, could he advise as to the future of the Human Resources Development Authority?

MR. LOUGHFED:

Mr. Speaker, I think that that matter can be much better dealt with under the estimates when we reach that item, after the member has had an opportunity to assess the budget revisions that we've included in our first budget for the Human Resources Development Authority. And at that time, either myself or the hon. Mr. Getty, who is the chairman of the Human Resources Development Authority, I'm sure, would be happy to answer any of the member's questions. But I think it would be better if that matter did remain in the air until such time as the hon. member has had an opportunity to peruse the estimates that relate to the Human Resources Development Authority.

MR. R. SPEAKER:

Mr. Speaker, a supplementary question. In the light of your remark that the hon. Mr. Getty will be responsible for the Human Resource Development Authority, does that mean that the authority will be integrated with the Federal and Intergovernmental Affairs portfolio?

MR. LOUGHFED:

Mr. Speaker, the answer to that question is no. The responsibility that the hon. Mr. Getty is undertaking with regard to the Human Resources Development Authority is not related directly to his departmental responsibilities, and hence, the authority from that point of view will not be a function of the Department of Intergovernmental Affairs, but will still come under the overall general responsibility of the Executive Council.

MR. SPEAKER:

I believe the allotted time has passed. Perhaps we could have these questions at the next question period. I should also mention that I omitted to mention previously the tabling of the annual report with respect to the Legislative Library.

ORDERS OF THE DAY

GOVERNMENT MOTIONS

MR. HYNDMAN:

Mr. Speaker, I move, seconded by the hon. Dr. Horner, that the report of the special committee appointed to prepare and report lists of hon. members to compose the Select Standing Committees of the Assembly be received and concurred in.

[The motion was carried without debate or dissent]

MR. HYNDMAN:

Mr. Speaker, concerning Motion number 4, I'd ask the leave of the House to be allowed to amend the typographical error there and to ask the House to enable me as the mover to amend my own motion so that it would read, That Rule 5 of the Rules be suspended, to enable the Assembly to sit on Friday, March 17, 1972 at 8 p.m." And while I'm on my feet I would like to congratulate the hon. member for

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Drumheller on being so sharp-eyed as to pick out that date in past history, and suggest that perhaps it reflects his party's views towards the past, rather than ours for the future.

DR. BUCK:

Mr. Speaker, on a point of order, seeing that the hon. members are so busy congratulating themselves, it's fine that they change their own amendments.

[The motion as amended was passed without debate or dissent.]

THRONE SPEECH DEBATE

MR. SCHMID:

Mr. Speaker, I rise today, firstly to congratulate you, Mr. Speaker on your election. The honour you have brought and will bring to this office can be compared to the honour you have brought to the profession to which you belong, by advising untold numbers of people not familiar with the English language in their native tongue, and not ever taking advantage of them and in fact, many times forgetting or minimizing a bill, because you knew that the person you helped just didn't have the means, Mr. Speaker. Many recipients of your generosity have told me you are a man of honour indeed.

Mr. Speaker, I rise today also to acknowledge publicly at least a few of the debts I owe to so many, and to speak to this Assembly of the greatest resource our province has: its people.

You know, as I know, that it is not easy to assess the debt I speak of. That is something a man feels and weighs in his heart. For all that, in my case and from my heart I express now my gratitude to the voters of Edmonton-Avonmore who elected me and to our hon. Premier, Mr. Lougheed, who in appointing me to head the portfolio of Culture, Youth and Recreation thus made me the first post war immigrant to Canada to receive the honour of a Cabinet position. But, above all, Mr. Speaker, I acknowledge my debt to the people of Alberta. It is of such magnitude, that perhaps, I shall never adequately discharge it. But I assure you, in my post of Cabinet responsibility, I shall try hard to repay.

I said I would speak to all members of this Legislative Assembly on the greatest resource our province has. I ask you to hear me without regard to party, and in your own hearts to understand the reality of what I have to say. I speak not of pipelines or natural gas, not of the famous tar sands of McMurray, nor of the vast coal deposits that have become so desirable in industry again. I am not thinking of ranching, farming, forestry, or small business -- important though all these are -- nor even of the complex industrialization mushrooming within this province, and adding to the attendant problems of explosion and pollution.

With the utmost respect to my colleagues, I speak of the one resource without which all the others are meaningless - people. The people who elected us, the people whose stewards we are, the old people whose faith and courage opened up our land, who in the serenity of their sunset years look to us to pass along unspoiled the good way of life they made and bequeathed to us. And most of all, I speak of our young people bewildered by problems, pressures, and seductions such as no other generation has ever known, who, despite outward signs of distrust, still look in their hearts to us, as youth has always looked to its fathers, the generation that went before it. They look for what? A chance of course, but for much more. Faith,

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encouragement, understanding, a helping hand along life's highway until, in the words of the poet, they too "are grown, and take their place as men and women with our human race".

So I am speaking to you today of human values, abstracts: hard to measure, impossible to see even with a microscope, but so real that without them, humanity no longer finds meaning in living, and all our riches are mockery. You do not have to be a queen to receive a royal welcome in Canada. This 'princess province' gave me that in full measure and overflowing when I came here as a youth of 19. Like parents the world over, mine were sad when I left my native land. "Why are you going to Canada?" they asked me. I still don't know exactly. The best answer I can think of is that, for many men, Canada is still the land of dreams, a big country, a new country, a country where men still make their own way of life. Why do you want to go to Canada?" they kept asking, "You can have your grandfather's house." To reassure them I said that I would return soon. How did I know I ever really would?

So, I came to Canada, a boy who could speak some French and Italian but not English; I thought French was the national language of Canada.

I can tell you today what Canada means to me. It means working in the gold mining camps of Yellowknife, first as a ditchdigger then on a mucking machine, then as a cage-tender as men go 3,000 feet into the bowels of the pre-Cambrian Shield to search, drill, and blast hard rock for gold, working with all kinds of men of all classes, of all creeds, everyone treated as an equal, and no one ever uttering the epithet "DP".

You know what Canada means to me? Being asked to play the role of an Englishman in an Noel Coward play - me, Horst Schmid, with a German accent, so thick you could cut it. Then I became a member of the Barbershop quartet. With two friends I produced "Maytime Follies" for the people of the northern community, and everybody came out and enjoyed it.

Canada, to me, will always mean being able to drive a truck or a car up to a cafe and being able to kid with the waitress; and going week after week into CKUA radio station to broadcast musical programs to the people who are sometimes homesick for their native land.

You know what Canada means to me? It means town and villages where people still trust one and other, so much that they forget to lock their cars, let alone their doors; where a man you never met hands you a beer over the garden fence, or better still helps you dig a post hole; where, absolutely unknown, you go campaigning in an election and people, even the ones who tell you that they are not going to vote for you, invite you to stop and have a cup of coffee, or even to come around to the back and take a dip in the swimming pool, offering their swimming trunks; where their kids offer you a share of their lemonade.

These are the little things, Mr. Speaker. These are the things that make life worthwhile. These are the things, perhaps, you find nowhere else on earth anymore. These are the things I want to guard and pass on to my children and yours. And they are some of the things that Canada means to me.

Mr. Speaker, how do we, Members of this Legislature, serve a people as deserving as this? It is a question each member must ask of himself. And all I want to do today is indicate the importance of people and, in particular, the role that my department must fulfill.

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I am not sure what being minister of a department such as mine conjures up in your minds, perhaps just going to the symphony on opening night, perhaps acquiring or at least pretending a liking for the opera, perhaps there is great hope that one day one of our skiers will win an olympic title.

Mr. Speaker, may I attempt to tell this Assembly some of the things it now means to me? Consider the world about us, not just brother fighting against brother in so many lands or the news that deluges us daily of hate and crime, of upheaval and disaster. Behold the waves of mental breakdowns among our youth, the ones for whom we hold the world in trust and who, before they ever inherit it are broken by it. Look at the loneliness around you - the loneliness of people in crowds, lost in cities. See the insecurity of fear as an impersonal, dehumanized technology takes over the world that once, at least for the millions, did give life purpose, meaning and some degree of fulfillment.

There is a malaise, a strange sickness on our society. Most of us, if we are honest with ourselves, wonder what has happened to the love, laughter and sheer gladness of being alive, all those riches of heart and soul that the world once seemed to promise in overflowing measure. If not in the arts, where else shall we find a cure for our ills? Where else shall we find the key to what we have lost? What we must learn anew, and learn before it is forever too late, is the role of the arts in everyday living, in self fulfillment, in humanizing the world once more. We have, amazingly, learned how to replace a worn-out heart with a new transplant, but only in the arts, the visible expression of man the creator, will we learn how to fill that heart again.

The arts are a basic part of man's being; why is that truth not impressed on us sooner? The oldest caves in Europe are decorated with the wonderful drawings of prehistoric man. Ancient stones bear his first writings. A generation long gone, sending forth a message of hope to generations still to come.

What one among us would choose a car without colour, a home without paint, a nursery without his child's first drawing pinned with pride to the wall? Do mothers not still tell tales to their children? Do lovers not still dream their dreams? All these things are the substance of art. All shout the truth that art is the very root and fibre of our existence.

In a town in the northern part of this province, a town that is the heart of a heavy Metis settlement a 14 year old girl painted a picture that still hangs on the schoolroom wall. The Metis are natural artists, extremely gifted; and that wall, in fact, is covered with paintings.

But this one draws you, it is powerful, fascinating. A noted art critic passing through the town, saw it and was struck by it. Said she, "That girl must go to the Banff School of Fine Arts. After that, have her get in touch with me." Do you know what happened to that girl? She has been in and out of correctional institutions, she is a prostitute today.

I said that the worth of our people goes beyond all thought of party or constituency. And now I ask you to ask yourselves some questions. How much has it cost the taxpayer to maintain that girl in correctional institutions? How much has it cost that girl in terms of a shattered human life? How much might an art education for her have meant one day to Alberta, in terms of provincial pride alone? Any time you ever ponder a grant to the arts, before you make

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your final judgment, I ask you to do one last thing. I ask you to remember that girl.

There is a woman in this province, and for obvious reasons I will not mention names -- fine, gifted, intelligent, a victim of that strange malady that is mental illness. Some years ago, in an effort to make her cure somewhat more permanent, it was suggested that she take up writing as a hobby. Again I ask you to consider how much it costs, in dollars and cents alone, to maintain such a person in a hospital; how much it costs her and her family in terms of depression, anxiety, heartache; and what it is worth to us, quite aside from considerations of compassion and common humanity, to return such a person to the riches of living as an ordinary member of the human race.

We have not begun to explore the value of the arts in such therapy, nor in the matter of rehabilitating prisoners, as another example. But I can tell you that this particular woman has enjoyed some measure of success as a writer. Much more rewarding to us all, I feel sure, is the fact that, shall we say, thanks to the therapy of the arts she has never been back to our hospitals.

To me the creative arts mean, among other things, our children running into the classrooms because the arts put life into learning.

Our Cultural Development Branch means one day, not just a Canadian Arthur Hailey, the author who was recently offered a million and a quarter dollars for the movie rights to a single script -- this before the novel was finished. It means an Alberta Arthur Hailey; school texts of our own, art, music and crafts that truly reflect this prairie province, its colour, its greatness, and the goodness of the people.

Europe, you understand, had 1,600 years of pioneering prior to the great Renaissance. Then artists, writers, musicians, and such, truly emerged in all their glory. It seems to me that I have become a Cabinet minister at an almost providential moment in the history of Alberta's cultural development.

Mr. Speaker, our pioneering days, short and magnificent as they were, are done. The pioneers were so busy with the arduous labours of opening a new land, so concerned with the necessity to earn their daily bread, that they had no time for culture in the sense that we think of it. There was no practical reason even for attempting to create a cultural climate.

With the on-rush of technology, with experiments indicating the three-day work week is at hand, how vital is this matter now? For make no mistake about it, leisure time will do one of two things to our people. It will enrich them, or it will destroy them. And I would like to repeat that. Leisure time will do one of two things to our people. It will enrich them, or it will destroy them. It is that terrifyingly simple.

How reassuring to me, therefore, to visit a town in northern Alberta and see all manner of people -- the very young, the very old, the youthful mother, the old grandfather -- doing lovely things in pottery. How wonderful, as we all read over the headlines on drug addiction, to find 5,000 boys, eager, boisterous, healthy boys, participating in Minor Hockey Week.

Would you believe that, prior to my appointment to the Cabinet, I had only seen one hockey game in my life? Now, it seems, I can't escape them. I get invited to all the events in which youth

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participates, including a skate-a-thon. And what do I find? On a trip to Vermilion for example, two-thirds of the audience were kids. They took part in the program, they cheered, they had a good time.

Many thoughts passed through my mind. One being that in Canada we do not even stop to realize what peace really means.

If I seem overly concerned here with youth, you will understand the reason. What I can tell you is that, in Alberta, I found the only thing I really could find concerning the sons and daughters of the people who opened their hearts to me, a stranger, some 20 years ago. I found goodness, boundless energy, kids with the bloom of health on their faces and the laughter of youth in their hearts. I found the Alberta people of tomorrow, and I ask, which way will they go in the next few years? In great measure that depends on us assembled here. My department has a responsibility to them. Aside from it being the concern of us all, it is still another part of the debt that I told you I personally must repay to the Canada that has been so generous to me.

I see the discernment of our Premier, Peter Lougheed, made manifest in another way, for he asked me to head Culture, Youth and Recreation. I could assume this post without fixed and preconceived notions, see it with a fresh eye and oddly see it against a certain perspective of world cultures, having spent much time travelling to all parts of our planet.

Art and culture come from the people themselves. They are an expression of a people's heart, its hopes, its fears, its common humanity. They have a message, not only for the moment, but for the generations that are to come. I remember, for example, walking the roads of the Punjab in India, the cradle of our western civilization. There is no word in the Hindu language for the words "I love you". Love is one of those abstracts I spoke of, something you cannot see or weigh, something you can only express, in India at least, by your actions. One night, during Easter of 1967, when the white moon hung in the deep blackness of the Indian night, I gazed on one of the seven wonders of the world, the Taj Mahal. It was built by a man, not for his mistress, but for his wife. Men will still marvel at it, and the love that brought it into being long after we are gone. Had the man who built it spent his money on clearing roads, the jungle would long since have obliterated them. Art endures and its richness is for all.

In Japan, the Philippines, the Far East, in so many lands, and of course, in Europe, I travelled as a businessman. And inevitably, when our business was done, I saw the art and culture of the people, not as a tourist, but as it really is. I could speak to you at length on this, but it would, in essence, be a repetition of what every government, large and small, has discovered, that art and culture are the very salvation of our society, the only hope in this age of automation and, worse, dehumanization, an age that is exacting a terrible toll in terms of physical and mental breakdowns, in violence, disruption of family life, and the thousand things that make life meaningful to us as persons.

I have talked to you of the many peoples I have visited around the globe, which brings me still to another wonderful aspect of life in Alberta, that our citizens here are of so many races and backgrounds, and we are a richer, a finer people because of it.

I think everyone in this Assembly is aware that the government has called a Cultural Heritage Conference for this coming June. We have invited every ethnic group, not least of all our native peoples,

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to come together, to seek out those things that will unite us, not divide us, each group to share with the others the best of their cultural inheritance. I hope that from this Cultural Heritage Conference, we shall bring into being the best legislation in this area of human relationships that exists anywhere on the North American continent. I could talk on length on this, if only on the point of view of our native peoples alone, because the measure of any people's greatness is the care and concern they have for those least able to speak and care for themselves.

But I've spoken long enough for now, and with your permission, Mr. Speaker, I shall conclude by relating to this Assembly a few final words concerning the department Premier Lougheed entrusted to my care. I believe that, in this province, we are going to have a blooming of talent such as our pioneer fathers may never have dreamed of. The world for example, is beginning to know the name of Marek Jablonski, even as I remind you that our Cultural Development Branch knew that Edmonton youth's name long before. In the Citadel Theatre, a few weeks ago, a player named Jackson Davies received outstanding acclaim for his performance in the play -- "Of Mice and Men". He received his training in Alberta by Albertans.

The other day I received a list, still incomplete, of Alberta authors' books, an incredible list of works published here, in Toronto, in London, in New York, and thus I could go on.

Instead, I will refer for the last time to the night I was elected. As sons a long way from their parents will do, I phoned them. I spoke to my mother.

"Would you believe," I said, "that I was elected an MLA?"

"You mean you were appointed a sort of honorary MLA, for the work you have been doing, or something?" she said.

"No, an honest to goodness MLA, chosen by the people."

"Horst," said my mother at last, "Would you believe we have elected a Turk to the Bavarian Legislature?"

Since such a supposition is impossible for any immigrant in Bavaria, my answer was no. In fact I told her, if she said that I'd think she was out of her mind.

"Well, Horst," she said, "that's what I think you are, out of your mind."

I guess she really didn't believe it until I returned to Bavaria, where never in a thousand years I could have been a Cabinet Minister.

At a reception given for the Province of Alberta by the Bavarian Legislature, I was presented with a gold medal. They did not know who I was really, a Cabinet Minister from Alberta. Yes, but you should have seen their faces when I talked to them, one by one along the reception line, each in his own local dialect. Will you believe, Mr. Speaker, that at that moment I knew to the full how privileged I was, how lucky I was to have come to this land, and with what pride I represented Alberta and her people? That gratitude, Mr. Speaker, is a debt I must discharge for as long as I'm privileged to serve them.

MR. DIXON:

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Mr. Speaker, it's a pleasure to take part in this Throne Speech debate, but I think I'm the one man in the House that can give you real sincere congratulations on your elevation, shall we say, to the high honour of Speaker of this Legislature. I've noticed that you have implemented a number of improvements, because we've gone from a single engine solo job, that I used to have to do up there, to where you have got a trimotor and probably a lot more power. Sir, to you, my special congratulations.

You may have noticed that I've stayed out of any arguments about people who may have been in order or out of order, and I just hope that I can continue to do that. However, there's one thing I must confess. I'm having a great deal of difficulty as hon. members come into the House to stop nodding at them. You may have noticed, even in the question period, I seem very polite when I always nod at the hon. minister. However, in my 20 years in this House, and almost half of them as Speaker, I enjoyed it; I had the respect of the House, and I'm sure that you will too, Sir. Of course, as I'd like to emphasize, you have my wholehearted support and best wishes.

I too, would like to congratulate the members of this Legislature, but in particular, I'd like to single out two I think we're highly honoured to have with us, the two lady members of our Legislature. If Premier Lougheed did nothing else, he set at ease the minds of the Women's Liberation Movement that women can serve in our Legislature, and of course they serve well and we look forward to serving with them.

I'd like to congratulate all the people that have taken part in the Throne Speech Debate, in particular the two new members who moved and seconded the Address in Reply to the Speech from the Throne. I did that on one or two occasions and I know it's not the easiest thing to do. As a member that has sat in the House a few times, I happened to write down a few things that have gone on in the House, and what some of the hon. members said. Maybe they could take some advice, and all it is is advice which they can either take or leave alone.

I was amused at some of the things that were said. One of the hon. members got up and said things weren't going too well in his constituency, and of course, if he didn't get something he was going to jump up in his place and vote against the government or vote the government out of office. Well, he may be fortunate that he said it after he came into the House rather than before, because I can remember reading in the press of a Conservative convention that was held in Calgary a year ago. I remember one bright young fellow who was going to run for them. When they got him up on the platform, he was really enthusiastic because, of course he was at a wonderful convention according to him. He jumped up on the platform and said to the man who is now the hon. Premier that if they formed a government, and if this certain highway wasn't paved, he was going to stand on his feet and vote against the government.

Well, unfortunately, this young fellow forgot, I think. We're in a modern age and we have TV and radio, and I think when his constituents heard him talking like that, they left him at home and put somebody else in. These things can happen, but it's a real concern, I think, to members, and actually you're going to do all you can for your constituency, but I often say that more people have talked themselves out of parliament or the Legislature than ever talked themselves in, so maybe this was it.

I noticed, too, one of the hon. members mentioned something about how he thought the 'now' program may prove a little premature.

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Well, he's come to an early decision, which I came to shortly after the government was elected. He found out that he was with a 'now' party and a 'not now' program, and so maybe this was his thinking.

One of the other members mentioned how tough things were in his constituency, and then, in the next breath, he was telling about his sojourn or safari down to Ottawa, elephant hunting with the Minister of Agriculture. I think he'd be doing more if he got the Minister of Agriculture, whom I have a great deal of respect for -- I don't think there's anybody who works harder in this House than the Minister of Agriculture -- and I think if he got the Minister of Agriculture into his constituency, it would do his constituents a lot more good than his worrying about what goes on in Ottawa. Because, after all, we have MP's in Ottawa who are supposed to look after the affairs of their constituents back here, so I think that would be the best place to go to work in that effort.

I noticed one of the other hon. members who delivered quite a well worded speech, but the more I heard him speak, the more I was convinced that he was trying to plead with the government over here to do something in his constituency to help them out. I think he should direct his remarks to the hon. Premier. His party is in power and could probably help him solve those problems.

The other one I noticed amused me, too, being a member from an urban area. He was complaining because he couldn't buy his purple gas at the gas pumps in town -- he had to buy it by the barrel. Well, I've got thousands of constituents in my area that would love to be able to get a barrel of gas tax free. And we're not able to do it, so you've got something to be grateful for.

One of the hon. members was so engrossed in what the hon. Minister of Agriculture my hon. friend, Dr. Horner, said that I thought the hon. member was going to say that Dr. Horner was going to introduce a bill to guarantee a chicken in every pot in Alberta, so that every Albertan can enjoy that wonderful Italian dish, Chicken Cacciatori. But, he stopped short of saying that.

However, Mr. Speaker, the hour is going to be short, so I'm going to get down to the serious end of what I'm up here for. It's going to be very, very short, because I realize that the vote will be taken at five o'clock and there may be one or two other hon. members who wish to take part. I would like to congratulate the news media, and I say that in all sincerity, because I think that they have a double task this year with the implementation of the TV coverage as well as the written word. I noticed that one reporter got carried away, and I think if I was the Premier, the first thing that I would do would be to correct him. He wrote in a national magazine that the Premier of Alberta is a most inaccessible man. And I think if this keeps up we're going to have another Howard Hughes on our hands, and we better be careful.

But anyway, Mr. Speaker, I thought as I looked over the Throne Speech there were some things that I would like to comment on. First of all, I noticed that the government opposite is very great on wordy expressions, and I wondered where they got all this assistance, then I happened to pick up a little card that says, 'If you use 27 words in the English language, you can make the most wonderful sounding speeches going.' I notice that a lot of these words were used in this document, the Throne Speech. This technology has created a new type of jargon that is nearly as incomprehensible as it is sophisticated.

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We recently came across an unusual technique called an instant buzz-word generator. So in this Throne Speech I think we have a lot of buzz words and a buzz word Throne Speech. It will help you master this jargon. With it you can generate an almost endless variety of intelligent sounding technical terms. And I'll just give you an example. If somebody asks the hon. minister of Agriculture what the program is for the coming year -- I think he could get away with this at almost any meeting -- he could say it's an integrated digital concept, or he could say it's a synchronized reciprocal mobility, or he could call it a balanced policy projection. I think this is what the hon. Minister of Agriculture has been doing. He has been using this. You can do a lot with 27 words if you want to use them, hon. members.

But anyway, getting to the serious part, as I mentioned, Mr. Speaker. During the past year we have had a lot of talk in Alberta, and I would say back two or three years beyond last year, about protection of human rights. And it is a proper subject to consider if you think about it. But does anyone need to be reminded that the Golden Rule cannot be surpassed as the greatest declaration of human rights? It does not start with parades and campaigns, or by introductions of bills of rights, but in the quiet stillness of peoples' minds. It blossoms in the nourishing environment of the family. The problems of our time are great, but they can only be solved through the cooperation of all elements of society, in my opinion government, business, labour, education, church, communities, communication media, etc. And each has to contribute to make our human rights mean something.

I can accept this view provided everyone accepts responsibility for his own actions. It cannot be a case of regulation for him and complete freedom or licence for me. And this is what an hon. gentleman told me the other day who came here as an immigrant, or his family did before him, I should say. He says, "If a person needs protection against society, it is not the law that is wrong, it is society." The bills of rights to cover freedom of the press and freedom of religion are already well established. You can't guarantee something that is already guaranteed. And you can't guarantee something you can't take away. And I think we have good example of this, and I can bring it right home to this Legislature as far as freedom of the press is concerned.

The Social Credit Government of the day, long before most of us were in this House -- I don't think there is a member here today who was sitting when they brought in The Press Act. It was carried all the way to the Privy Council, and it was finally decided that the province had no control over the press. It was a matter of federal jurisdiction and was ultra vires of this legislature. As far as religious freedom is concerned we had the famous Ron Pirelly case in Quebec regarding the Jehovah Witnesses, and it was established there that freedom of the press is already guaranteed under our British North America Act and the federal legislation.

And something that I'd like to mention here too, hon. members, is that the previous speaker talked about coming here as an immigrant. Well, I came here to this country as an immigrant. I was eight years old. There was nothing to guarantee our future -- our whole family of nine came here, with about four trunks and four suitcases, all our worldly possessions. We didn't ask for any bills of rights, we just asked for the right to work. All we need to do is to do our part. We came here for economic freedom because my father, who was a coal miner, was laid off. He heard that Canada was a good place to come, and work was available. This is the reason he came to

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this great country, just like the hon. minister, Horst Schmid, who said that he came here and has played his part.

I think the best example of the fact that we have the greatest province in Canada to live in is the very fact that the hon. minister today could get up on his feet and say that he came here as a boy of twenty, and within a few short years was elected by the people, and then further, was appointed by the Premier of this province to one of the highest offices that can be held. I think this is the thing that augurs well. I think that we are more interested in looking at things that really need to be looked at. And what I mean by that -- I am not against bills of rights or anything like that, but I think it has already been established that we have all this freedom. As long as we work at it, we won't need legislation to protect us. As long as we make sure we look after the freedom we have, we can leave the legislation alone. It is economic freedom that most people want and I know in particular in many parts of my constituency of Calgary Millican people are more interested in finding a job or putting food on the table than worrying about a Bill of Rights.

I would like to turn now, Mr. Speaker, to the new Department of Federal and Intergovernmental Affairs, and urge the Minister to enter into an agreement with the federal government as soon as possible, to see if they cannot work out a tax agreement regarding income tax, which I think will really be of great benefit to the people of Alberta, and in particular, to those in the lower income tax brackets. Ontario, Mr. Speaker, has just entered into an agreement with Ottawa on this, and I will show you by two examples, what I mean by saying that it helps the people in the lower income group rather than the other groups. If you take, for example, a married couple with two children whose earnings are less than \$3,500 a year, under the Ontario agreement, they will receive a \$115.00 credit. This will mean that he will have \$115.00 more take home pay. As you go up into a higher income bracket, it doesn't mean quite as much to you, but of course, you've got a higher wage to take care of it. The credit for a similar size family earning \$25,000 would only amount to a \$10.00 credit. So this is why I think I would favour this for the simple reason it is helping those who really need the help. Not only will it help the property owners, but it will also help the tenant. The tenant will be allowed to write off 20 per cent of his rent, which I think will overcome the argument we often hear, that we favour the home owner over the tenant.

Turning to the Medicare issue, Mr. Speaker, there has been a lot said about the fact that the present government has done away with the Medicare payments for people over 65 years of age. There are some good things about that, because I think statistics will prove that there are about one in five over 65 who are in what we consider the real poor category, although I hasten to say there are many over 65 who are well able to take care of themselves. I am sure the hon. members have had letters like I have had from people who have disabilities, who feel that they should be more entitled to it than someone else. Somebody told me the other day something I never thought of. He said it really isn't socialism if everybody gets it. Maybe this is the reasoning behind the government doing this.

I wonder how many hon. members realize that prior to this program coming in, there were about 120,000 contracts covering people over 65 years of age. As the Speech from the Throne mentioned, about 158,000 dependents are covered by those 120,000 contracts. But prior to this contract coming into being, there were 20,000 of this group who were paying no premium at all, and there were 40,000 of that group that were paying a partial payment because it was being

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subsidized in the lower income group. I was a little bit concerned when I checked into this a little further the other day. I noticed that the government is going to have to issue over 11,000 cheques back to people who have paid up in advance. Usually, people who are in dire circumstances don't pay up in advance too often, so I am just wondering why the government didn't bring it in at the end of the contract year, rather than half way through. I feel that they would have had more time then to go into it thoroughly, and maybe it would have been possible to add some of these people that I have mentioned earlier, the disabled people that are under 65 years of age.

I had a man call me the other day, one of my constituents, and he said, "Mr. Dixon, I think I have seen everything now. You know that I have been in financial difficulty, and I have gone to the debt adjustment board. One of the debts I have listed against me is \$132 (or \$142, I forget what the amount was,) that I owe Alberta Medicare besides my other debts." And he says, "You know my sister and brother-in-law? They own about four sections of land, they will never be able to spend all the money they have, and they are getting it for free." So you see why he was a bit bitter. Of course, in any program you are going to have all types of people who are borderline cases, and those who feel that they should be included even though they aren't borderline cases.

I think, another thing, while I am on medicare. I should direct it to the hon. Minister Without Portfolio, Miss Hunley. I have heard complaints of some overcharging, and I'll just give you an example. A gentleman was operated on by his doctor and Medicare paid all of the cost, but apparently for this operation they needed a standby physician. That physician received \$63.00 from Medicare and billed the patient \$150.00 for extra charges. Now I don't want to stand on my feet and argue that I don't believe a doctor should have an extra charge. I believe if it's reasonable, under a free enterprise system we should encourage it, but there is something wrong with the system, when he is only allowed \$68.00 and has to charge the patient \$150.00 over and above that. I plan on taking this up with the hon. minister. Maybe there is a good explanation, and if there isn't, I think action should be taken. But it seems rather strange, to me and to the gentleman involved.

There is one other thing I'd like to turn to now, Mr. Speaker, and this is the last item I wish to touch on today, for I'll have plenty of opportunity, I'm sure, when the Budget Debate is through to cover other things I have in mind.

I think that it's about time, with all this talk that we are hearing about environment and preserving species, that we should give serious consideration to protecting the wild horses that are left in this province. Now people will argue with you that there is no such a thing as a wild horse because they were domesticated at one time. Well that is true -- the first horses came to North America when the Spaniards came. But I'm just going to show you the drastic reduction on the North American continent of this species. At one time there were over two million horses which could be categorized as wild or free ranging, and that number has been cut down in North America to 17,000. It's estimated that there are between 2,500 and 3,000 free roaming wild horses in Canada, most of them in western Canada. Of this total, about 300 on Sable Island in eastern Canada, and the federal government has seen fit to award some protection to those ponies. But the continuing development in western Canada has forced the wild horses further and further into the most inaccessible wilderness there is in our province. And to escape the increasing pressure of man, I would urge the government to designate certain wilderness areas as sanctuaries for wild horses or, in other words,

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wild horse wilderness protection parks. Better still, I think we should look at the legislation that is presently before Congress in the United States and pass legislation protecting wild horses wherever they are located in our province. No animal in North America has been hunted with such calculated cruelty as the horse. The wild free roaming horses are living symbols of the historic and pioneer spirit of our west, and I would urge the government to introduce a bill in this Assembly which would protect bands of wild free roaming horses from capture, branding, harassment or death, as a provincial and national recognition of this species.

I believe that now that we are so concerned with wilderness areas, it would be an opportune time to give this problem every consideration. And I know that there will be some that will say, well they are using up pasture that some rancher could have, and all this and that and the other; but I think most of you will admit that a horse can exist where most other animals, even some of the wild animals, cannot exist. And I think with just a little bit of encouragement we will be able to maintain the species of this great animal, and I think that our children that follow us will be very grateful that we did look at this situation and took some action on it.

Thank you, Mr. Speaker.

MR. BATIUK:

Mr. Speaker, could I ask a question of the previous speaker. When you had mentioned just a few moments ago how good it was in Ontario with their system -- does the hon. member consider what party is in power there?

MR. DIXON:

I didn't consider what party was in power. I remember the other day when an hon. member over there was talking about eighteen cent eggs, the Conservatives were in then, I remember that quite well.

MR. SPEAKER

The hon. member for Innisfail followed by the hon. member for Sedgewick-Coronation.

DR. MCCRIMMON:

Mr. Speaker, I would like to add my congratulation to those that have spoken before me. Being a new member, it is comforting to know that your fair and impartial judgement will guide this Assembly for the next few years.

I would like to thank the Premier for appointing me to the Task Force for Municipal Finances. This task force was formed last September, with the purpose of investigating the possibility of removing school tax from residential property taxes. I am fortunate in this task force in being associated with men who have an excellent background in municipal government, with a total in years of municipal experience of over 70 years.

When we started this task force we realized that it was going to be an enormous job. The restructuring of taxation potential for property, industry, business and natural resources in Alberta, is a staggering job, particularly as there has been little or no major changes for the last twenty to thirty years.

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The system is outdated. Some of the laws, regulations and procedures that are used have been in use for thirty years. And yet times have changed, money values have changed. Property values have changed and there has been a change in so many ways that it is difficult to bring the past to the present.

Confusion exists amongst those who are responsible for the carrying out of the programs laid down. Municipal government in all phases, rural, urban and school boards, are finding it more and more difficult to manage their affairs under the existing tax structure.

We realize that this task force can in no way bring out in the course of one year all the changes and readjustments that are necessary to make our tax structure equitable to all. However, a start must be made somewhere and our recommendations will give the Executive Council a definite line to follow.

Over the past five months we have held many days of meetings with executives of rural and urban municipalities; meetings with the executives of school boards for Alberta. Throughout these meetings we have found the men and women to be a very, very dedicated, knowledgeable and sincere group of people. They are one of the groups of people in Alberta who are the backbone of overall government but get very little credit.

They are worried, and rightly so, because they are about at the end of their tether. They are taxed as high as they can go, and the recommendations of this task force are eagerly awaited by them. They are cooperating in every way that they possibly can, and without their cooperation this job would not be possible.

When this task force was formed it took the place of a commission that had been appointed by the previous administration, with an annual budget of \$250,000. This task force has broad terms of reference similar to the original commission had.

The hon. members across the Assembly are worried about the cost to the government. To date, the members, for their many days and weeks of work and travel have received \$1,529 for the six months of work. Stop and think about it for a minute. The saving in this one task force alone is enough to pay for five new cabinet ministers' salaries, the new red rug in front of you, and even the new wall in the east wing of the third floor.

Regarding my own constituency, Ponoka Rimbey, I would like to express my thanks and appreciation to the people of the constituency for electing me to this Assembly and to this government.

The Ponoka Constituency is much like other constituencies in central Alberta. We have two main towns, Ponoka and Rimbey. We have a good rural area, not too large, and the western area of the constituency is in a state of development now, but reasonably undeveloped.

This constituency has the same problems as have been mentioned many times before. Over the past ten to fifteen years the town population is remaining fairly static. The rural population is dropping.

We have some industry in this area such as the cattle industry, Ponoka Mental Hospital and the Rimbey Gas Plant. But this is not enough. We appreciate the potential incentives provided by the Alberta Opportunity Fund Act. However, we realise that government cannot force industry to go to a small town.

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One thing we do ask however, and that is that we have access to information regarding any industry that shows interest in coming to Alberta, so that we may compete for this industry with any city or town within the province. With enough drive and determination on our part, and with your cooperation and the cooperation of the government, we can get an industry within the next year or two.

In the farming section, we have the heaviest cattle population, I believe, of anywhere in Canada. At last count we had 85,000 head in the area. This, of course, is the backbone of our rural economy. And the new Agricultural Development Fund has already been of help to the western section of my constituency.

I would like to touch now on the Provincial Mental Hospital in Ponoka. This institution was started 61 years ago, when Ponoka was a village. As the hospital grew, so grew the town, each one dependent upon the other. During the period 1955 to 1962, this hospital was recognized as one of the outstanding mental institutions in North America. During that time I must commend the past administration for fine management, forethought and programming.

However, during the past five or six years things have slipped a little. There has been a particular lack of government policy in planning during the past few years. As a consequence the mental hospital has slipped to a position where it is not the outstanding hospital in Canada that it was before. However, this is not the fault of the staff or those who operate the basic hospital requirements. Three years ago the hospital found that its patient population was dropping, the staff had been reduced in a small measure, and a feeling of uncertainty predominated amongst those civil servants who worked there.

We have been fortunate over the years, and are still fortunate, in having the best staff of any mental hospital in Alberta. They are better qualified. The non-medical staff in this provincial institute in Ponoka are better qualified to handle mental disease than in any other institution in the province. However, uncertainty prevails. On January 1st, 1970, the patient load was 905; at the end of February, 1972, the same patient status was between 650 and 675. The staff were worried and rightly so, they do not know what their position is for the future. The Blair Report has been out for three years, and no major decisions by government have been forthcoming to date.

We look forward Mr. Minister, to your new health act, program and policy, that will bring stability to this institution. We realize that the Blair Report emphasizes the optimum use of resources and the full use of available personnel and facilities in delivery of mental health care in this province. We believe that Ponoka can fit into this category; that its extensive facilities and trained staff can be a basic hub for the treatment of mental disease in Alberta.

The physical facilities of this institution are extensive, and varied. Some are constructed to the highest standard of modern hospital design, and some will need to be replaced. Trained nursing personnel, social workers, psychologist staff, and all efficient auxiliary services are here. It is in accordance with the best tenets of the Blair Report that these be utilized in full. Furthermore, two specific recommendations in the Blair Report, the development of regional consultant service, and the development of special programs of active treatment for well defined groups, represent important aspects of this plan. We feel that Ponoka Mental Hospital can fit into these two categories. Further to this, the training programs which have been carried on in the past, and the

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majority of the mental hospital training for personnel has been carried on through the Provincial Mental Hospital at Ponoka. The requirements for training have been fulfilled through the Ponoka Mental Hospital over the past 20 years. These training facilities are still there. They are still in use -- they are still available. The staff qualified to teach these personnel are available, and when we look forward to the fact that mental health in Alberta is going to be an increasing program, and not a decreasing one, these facilities should be utilized to the full.

When you look at the physical facilities of this institution built over the years, it is true that some are out of date. Many of them, however, are up to date, modern, well equipped, and well staffed. To duplicate these facilities under present existing conditions would take a staggering sum, a sum this province cannot afford. Therefore, we must utilize what we have. To replace the mental hospital in Ponoka, at the present time with new facilities would cost somewhere in the neighbourhood of \$50 to \$60 million.

There are many contributions the Alberta Hospital can make to the mental health program in Alberta. Some of these could be an adolescent program treating severe cases of emotional disturbance; a family therapy unit; a travelling consultant service to the area; care of a defined group of adult psychotics; a unit for the care of established alcoholic and drug addiction; custodial care and treatment of forensic cases, rehabilitation, educational facilities for all personnel concerned with mental care, in Alberta, and research facilities for both clinical and operational research.

To this must be added an area which the above hospital is already fulfilling and that is care of the criminally insane, and those who are remanded by the courts for observation and treatment. In this area, some of the facilities need to be updated. Some of the cells and detention areas are 60 years of age, and for those criminals and people remanded by the courts to Ponoka, there should be an updating of security facilities. The economy of the town is directly tied to the future of the mental hospital. Any major depletion of staff would mean economic disaster to the town. If we had a reduction in staff of 150 people at the mental hospital, it would mean 30 to 40 homes being thrown on the market, which is the equivalent of 3,000 to 4,000 homes in Edmonton.

So, to the hon. Minister of Health, those of us in Ponoka, and the staff of the Ponoka Mental Hospital, are looking forward to your new act, your new programs, your new directives and policies, because we feel that perhaps, for the first time in years, the full potential of this vast institution and the staff it entails, will be utilized to the full.

Mr. Speaker, I would like to thank you for this opportunity of expressing my views to this Assembly.

MR. SPEAKER:

Possibly to keep a balance in the House, we should have two on one side and one on the other. Could we have the hon. Member for Sedgewick-Coronation, and I should like to express my regret for having misidentified the previous speaker.

MR. SORENSON:

Mr. Speaker, I wish to congratulate you on your appointment as the Speaker of this House. It's indeed a great honour for me to address this first session of the 17th Legislature as the representative of Sedgewick-Coronation. A strange feeling overcomes

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one as you think that you are the representative of thousands of people in a vast area. I don't envy those that are making major decisions, especially in agriculture, today. I hope that the agricultural policies that are formed here will not fail. Our rural areas are on a teeter. In my constituency there is a danger of losing classrooms; there's a danger of losing hospitals, and there's a danger of losing many, many small businessmen as well as farmers.

Mr. Speaker, today I would like to take you on a quick trip through my constituency. I think it's rather a unique one. The largest town has a population of under 1,100 and we have many, many small farms. Some time ago I viewed my constituency as the Texas of Alberta, it's so large, with so many big things. I haven't calculated the number of cattle we have, but one feeder alone is calling for 1,000 cattle per month. We have many cattle, with no slaughter facilities. Our animals must be transported to Edmonton, Red Deer, or Calgary. At a hog marketing meeting in my area recently, it was pointed out that many hogs, especially during the cold weather, suffered damage through freezing on their way to market. Then we have a large wheat growing area. I like to think of my constituency as the "bread basket" of Alberta. My home town has a population of only 900, yet we have six elevators. Down the road to Sedgewick, eight miles, there are six elevators there. Another 7 miles to Loughheed, the Village of Loughheed, we have an additional six or seven elevators. And Mr. Speaker, contrary to any rumour you may have heard, they are not planning to change the name of the town. They are going to keep it.

Last summer, the two leaders of the major political parties visited that area, and both viewed the damage of the army worm. They met with the county councillors. Here was the area that was the most severely stricken. And there's a thrilling story in connection with this. As the airplanes flew, the wheels would touch the crops of rape. There was an airplane crash, but luckily the pilot was not injured extensively. An airplane had to be dispatched to Texas to get the chemical. And of course, the conservationists were upset because of the chemicals used, and so on.

We do not have a major coal field in our constituency, but there is one in the neighbouring constituency of Camrose. This necessitates scores of trucks each day travelling through my constituency, from as far as Lloydminster, distances of 100 miles or so, to gather the coal. We have some of the major oilfields in our province at Myrman, Coronation, Veteran, Consort, and it's just beginning to blossom.

Another wonderful thing that we have is hunting, and if I were to ask the most of you here where I would go for geese, you would, I suppose, say to Consort or Coronation. And yet, in our constituency, we do not have a law enforcement officer. I would have to travel some 50 miles to contact one of these officers. I'm very much in favour of the Alberta Hunter Training Conservation program. I believe it should be made compulsory in our schools.

And, of course, we have fertile soil in my constituency, as the most of you have. I feel, in this respect that perhaps there's not enough teaching in our schools concerning conservation. My children have come home saying that they have visited the printing press, they have visited the hospital, they have visited the bakery, but they have never come home saying that they have visited a shelter belt, or to view the damage caused by erosion, etc.

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I mentioned yesterday about our Manitou stone, and we're interested, and I'm sure Mr. Schmid is already working on getting that back to Albertans.

Well, I picked up a paper one day, and read where Texas has one quarter of the highway systems in the United States, so any relationship then that I had to Texas went out the window. We need highways. You cannot have rural development without highways. And I would just quickly like to mention three highways, number 12, number 36, and number 41. Number 41 is in the eastern portion of the province. It comes down from the north and stops just south of Czar. It comes from the south and stops at New Brigiden. Between these two points there really is no highway. Number 12 is an east-west highway, perhaps the only highway in the province that is not blacktopped the last 20 or more miles leading into Saskatchewan.

I would like to just mention a few things on rural development, I'll move quickly and simply give you the headings of some of the things that I feel rural development is. It's creation of job opportunities. It's providing transportation. It's providing education, providing cultural advantages, providing recreational facilities. It's the maintainance of the family farm. It's eliminating the causes of rural poverty. It's recruiting our most brilliant and talented young people to manage our farms and ranches, and so on. All these things are good, but still I wasn't exactly satisfied as I listed these. Last year, in the United States, the Senate held sub-committee meetings on rural development, and many volumes are the outcome of these meetings, and I have browsed through them, and there was one statement which caught my eye, and I would like to read it, Sir. It's from Mrs. Haven Smith, chairman of the Women's Committee American Farm Bureau Federation at Chappel, Nebraska. And she delivered this speech to the congress hearings on rural development in Washington, D.C.

"Rural development is a dedication of the strengths of individuals through their own institutions, schools, churches, clubs and organizations, business and industry, to make more jobs, create more opportunities and establish a better quality of life. Rural development as a community-wide action program cannot start unless the local people want it, and it cannot succeed unless local leaders aggressively promote it. If a community lacks leadership, if it lacks local concern, if it isn't convinced that it should become a better place to live, then perhaps it shouldn't. But sometimes rural development comes to just such a community through the evangelical crusade of one person to get the community to raise its sights and fire its ambition.

"Communities take on the characteristics of the people in them, reflecting their drive, ambition, pride, resourcefulness, and will to work together. Vibrant, progressive communities don't just happen, nor are they beyond the reach of any of us. We can't guarantee prosperity for each community that starts a rural development program, but we can guarantee this: any community will be better as a result of its effort."

There have been a few efforts put forth in our constituency. Just last week in the Edmonton Journal was an account from my home town of a young man who started an auction mart. Entitled, "Fighting Example" this is a remarkable story of how rural Alberta is striving to keep its economy alive in the face of increasing urbanization. This was evident at Killam last week. Killam is a small town of under one thousand. On that particular day, and it's usually that

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way at each sale, they sold a quarter of a million dollars worth of livestock. Cattle were auctioned from as far as Lethbridge.

Last week I opened a skiing chalet in my constituency on the slopes of the Battle River. Years ago when this young man had a vision of a ski hill many people told him, it can't be done, it can't be done. But he went ahead, and today there is a T-bar, a lift and a beautiful chalet that is almost as large as this Assembly.

There's a job for everyone in rural development. If it is to be successful it will need to involve the resources and expertise of governments from all levels -- local, provincial and federal. The provincial government of Alberta must be fully committed to a massive effort in developing and enhancing rural life. Well thought out programs will have to be developed that will make it possible for our citizens to work and live where they wish to work and live. Our government will have to be prepared to provide greater financial aid for our rural youth. The current high capitalization requirements discourage our young people from entering the field of farming. However, it is still my contention that rural development is not an agency of government, it's not a new appropriation to spend money in rural Alberta, it's not a new set of directives handed down and run from above. Rural development does not give people anything, except the encouragement and tools to work together and a promise that their efforts will be rewarded.

I held a number of pre-session meetings in my constituency and many of the things I have been talking about came out at that time. At practically every one, the Lake Louise Village development reared its head and on one occasion a group presented a brief with some 200 names. And I guess for every one who was in favour of it, almost 100 opposed it. I went away with the feeling that my people would just as soon see them build it on the moon, Mr. Speaker.

I was happy the other day when a slip of paper was distributed inviting us to play hockey, and I'm sure many of us are going to try it. I played in an era when we all used the wrist shot, and I suppose we'll be ducking pucks next week from those who are using the slap shot.

In closing I want to say that I am very disappointed in the Throne Speech. If we're entering an exciting new era, I don't think the Throne Speech reveals it. And now, Mr. Speaker, I want to thank you for accompanying me on this little trip through my constituency. Thank you very much.

MR. YOUNG:

Mr. Speaker, at the outset of my remarks, I wish to support the comments of my hon. colleagues, members of this House, who expressed pleasure on the achievement of your high office. I would like to say, if I may, as a neighbour of yours, since our constituencies adjoin, that I felt quite sure that your good and fair judgment would become apparent very readily, and I should like to advise the House that the high and gentlemanly qualities which you have applied, sometimes with friendly and chiding wit, will become evermore apparent, and it is for these reasons that you are held in such high esteem in your own constituency.

I would also, at this time, like to express my appreciation to the hon. Premier, our leader who has successfully transformed the Floor of this House with the 'now' government on this side and the 'then' government on the opposite side.

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DR. BUCK:

When?

MR. YOUNG:

'Then'. Back then. At the same time, I would like to commend all members on their election.

Now I understand that the role of a participant in the Throne Speech is to review some items of that speech, to express items of particular concern to him or her, and at the same time, to itemize some of the matters of his constituency to the members of the House. I wish to do that in the few minutes which remain, and I would like to start off first with some comments on a matter of very great concern to me as I campaigned last year.

Mr. Speaker, that concern has to do with the role of members in this House, and more particularly, the relation between citizens and government. The hon. Minister for Culture, Youth and Recreation this afternoon expressed his concern about a malaise which exists. Mr. Speaker, I thought that I had identified an alienation on the part of the public in many instances, certainly a political lethargy - I'm just not sure how one can identify exactly what it was, some might call it disdain, some might call it cynicism, some might simply call it irrelevance as far as many citizens regard this House and this Legislature, - and for that matter, politicians.

I think Mr. Speaker, that part of our problem here, is that the citizen has become so overwhelmed by the apparatus of government that he just feels he doesn't count. It's immaterial what he does; he can't make a dent in that feathered pillow. Mr. Speaker, it gave me a very great deal of pleasure when reading and listening to the Speech from the Throne, to realize that this House would do its utmost to upgrade the status of all members and to open its meditations and deliberations to the citizens and the general public.

Mr. Speaker, the Throne Speech was a truly outstanding document in that respect, and I would submit to you Sir, that in the first two weeks of this Legislature, in fact I think it was in the first week, we have achieved a very great deal by opening our deliberations to the media, and by establishing a Hansard. At least we now have an open record of government and the citizens can find out readily what's going on.

The other major advance which has occurred has had to do with the status of the members, particularly on the government side, but it applies equally well if it is used by hon. members opposite. I refer to the ability, Mr. Speaker, under the change in the rules, for members to be able to introduce a public bill, and to have it considered by this House and perhaps have it made into a government bill.

I believe that is a very important feature. It increases the responsibility of members -- they must be familiar with those bills which they are responsible for piloting through this House. Mr. Speaker, increasing their responsibility, I am certain, will increase their status in the eyes of the general public, will make them more familiar with public issues in general, and I think can go a long way to remove some of the alienation that I have mentioned.

There is one other item of a similar nature, as long as I'm in this somewhat philosophical vein, which is not in the Throne Speech, but which I wish to comment on. And that is my concern for members

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and the conduct of members of this House outside of this House. I say this because I think as members of this House we can do a limited amount. We can draw the plan, as it were, we can prepare the legislation, but there is more than providing material things to achieving a high quality of life, which is a concern of the Speech from the Throne.

I will quote, as other members have, and I think Mr. Odum should not be missed from Hansard. In his "man's quest for special guidance" he says;

"The good life may be interpreted as a result of the individual's harmonious development of his full personality and his satisfactory adjustment to his fellow man and to his physical environment."

What I want to draw to the attention of hon. members is that we can do much for the citizens but there are some things which they must do for themselves. And I would not wish to go so far as the hon. Member for Cardston. I respect and appreciate that there are people who fall upon unfortunate circumstances through no fault of their own, but I would like to stress that we cannot provide self fulfillment, we cannot provide the joys of fellowship and harmonious living, we cannot provide the satisfaction of community action, we cannot provide respect for others - we can guarantee as much as possible through the material circumstances which we can provide for through this House, but these are things which the individual must accomplish for himself. And I think that this should be kept in mind as we move to matters of supply and legislation, I think we should keep these things in mind because there is a fine line between the responsibility that the citizen must expect of us and the responsibility that the citizen must accept for himself.

And, Mr. Speaker, to emphasize other reason for my concern here, I would simply draw, at this point in time, the attention of the House to the fact that as recently as 1961, 31 1/2% of our gross national product was spent by government. In 1970 this amount had increased to 35 1/2%. At those same points in time the provincial government expenditures had accounted for 25% of the 31 1/2% in 1960. The proportion spent by provincial governments was 35% in 1970 -- a very major increase. This is fastest growing area of government expenditure.

Now, Mr. Speaker, there are many things on which I would like to comment in the Speech from the Throne. I would like, for instance, to make some plans with respect to senior citizens. I appreciate very much what has been done for senior citizens. I would like to say, while I'm on this subject, that I have some concern in my constituency -- there is one portion of the constituency, which in fact amounts to 60%, which has no senior citizens home. It is the poor end, if I may express it that way, in material terms of the constituency. I have two homes in the wealthy portion of the constituency.

Mr. Speaker, one of those homes is two blocks removed from any other residence. It is one block removed from a bus stop, in an open area. These people are segregated. I am very much afraid that in the highrise development in the Westmount area, we will again tend to segregate our senior citizens, and I draw this to the attention of the House. I think that we must provide housing, but I question whether we cannot improve upon the way it is presently provided.

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It is usual in a debate, to make a few comments on some of the contributions from members on the opposite side, and I would not wish to miss this opportunity.

Mr. Speaker, I think the best way I can commence is by quoting another author. This one is Samuel Butler, and if anyone is confused as to which of the Butlers, I guess it is Samuel Butler, Jr.; he lived from 1835 to 1904 or 1905.

"It has been said that although God cannot alter the past, historians can."

Mr. Speaker, it is my impression that members of the Opposition have confused their role with that of historians during the past two weeks. They have tried valiantly to alter history, and especially recent history. We have been told, Mr. Speaker, what a wonderful job the past government did. Hon. members opposite, some of whom were ministers, have kept repeating it. But, Mr. Speaker, the preceding hon. member, the Member for Sedgewick-Coronation, has just completed telling us that he does not have in his constituency a fish and wildlife officer. He does not have the highways that he would wish for, and he has told us very eloquently about the need for highways for rural development.

Mr. Speaker, we have had had one member of the opposition after another get up and tell us what a wonderful government they had and then recite the list of needs in their constituencies.

Most astonishing, Mr. Speaker, the hon. member for Drumheller is quite concerned about immediate amendments to The Police Act. He disagrees with many points in The Police Act which his government instituted less than 12 months ago. He is, indeed, a flexible and open-minded man. I find this surprising, since I had heard that he is a man who does not change directions easily. It is surely a tribute to the new directions of this government and to the outstanding document, The Throne Speech, to have attracted such an ardent supporter so very quickly.

In a more general way, Mr. Speaker, as I observed the hon. members opposite during the past weeks, I was reminded of a conversation which takes place in Alice In Wonderland. You may recollect that Alice was lost in the wood and to get herself out of her confusion, sought directions from the Cheshire Cat.

"Would you tell me, please, which way I ought to go from here", she said.

"That depends a good deal on where you want to get to," said the cat.

"I don't much care where," said Alice.

"Then it doesn't matter which way you go," said the cat.

Mr. Speaker, I very much enjoyed the hon. member from Highwood. His voice has a depth and a resonance which I find pleasing. It is exceeded only, I believe, by the hon. members from Edmonton Strathcona and Edmonton Avonmore. His concept of the need to plan and the ability to plan is exceeded by all government members, I fervently hope. Perhaps he could borrow the 8th Annual Review of the Economic Council of Canada which dwells at length on the gains to government and the improvement to the public good which could be expected to result from careful planning. I understand that the hon.

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member from Pincher Creek-Crowsnest has a copy and, in fact, indicated that he had read it.

Now the hon. member for Calgary Millican made some comments about buzz words, and I only want to say that there was a considerable buzz from his corner when he was speaking this afternoon. He made a comment which I disagree with quite heartily, and that had to do with the proper location for the hon. the Minister of Agriculture. He indicated that the Minister of Agriculture might better serve the constituents of Smoky River by being up in Smoky River. Mr. Speaker one of the reasons I was stimulated to get into politics was to overcome -- to try to overcome, what I saw as a totally inept attitude on the part of the 'then' government towards the federal government in Ottawa. We just did not have a voice in Ottawa, and I am pleased to see that finally we have recognized that a bad situation which affects our citizens is a situation which demands attention, and that we no longer need to hide behind the British North America Act.

Mr. Speaker, I have struggled to put in words my observations on the hon. member for Clover Bar. He spoke forcefully and in an entertaining way. I am not yet sure what his message was, perhaps he is not sure; in any case he delivered it vigorously and with body movements which would have done credit to that famous mime Marcel Marceau.

I cannot overlook the participation, regardless of how emotional it may have appeared, in the debate of the hon. Member for Calgary Mountain View. It might be stretching matters to say that he has made a contribution, but participate he certainly has. He has waxed both long and loud. It is my opinion he has supplied a fair amount of ammunition to be used against his party. One cannot hope for much more from the hon. gentleman.

The hon. member for Calgary McCall reminded us that it is better to have people wonder why one doesn't talk than to have them wonder why one does. He has a point, Mr. Speaker. After hearing that, I listened with unique concentration to his discourse. As I recollect, he tried to convey the impression that he would be non-partisan. He may have used the term political. In any event, Mr. Speaker, I was concerned, and having listened to his total discourse, I would simply draw his attention and that of members of this House to the plaque, I'm sorry that you can't see it, Mr. Speaker, that says: *Honi Soit Qui Mal Y Pense - Evil Be To Him Who Evil Thinks.*

MR. SPEAKER:

I regret that I am required by the rule at this time to put the question.

The Motion by the hon. Member for Whitecourt, seconded by the hon. Member for Calgary McKnight that an humble address be presented to His Honour, the Honourable, the Lieutenant Governor of Alberta as follows:

To His Honour the Honourable J. W. Grant MacEwan, Lieutenant Governor of the Province of Alberta:

We, Her Majesty's most dutiful and loyal subjects the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session."

[The motion was carried on a voice vote]

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GOVERNMENT MOTIONS

MR. LOUGHEED:

Mr. Speaker, I beg to move, seconded by the hon. Dr. Horner, that the address be engrossed and presented to His Honour, the Honourable the Lieutenant Governor, by such members of the Assembly as are members of the Executive Council.

[The motion was carried without debate or dissent]

MR. MINIELY:

Mr. Speaker, I move, seconded by the hon. Mr. Werry, that the public accounts of the province, together with all matters connected therewith, be referred to the Public Accounts Committee.

[The motion was carried without debate or dissent]

MR. MINIELY:

Mr. Speaker, I move, seconded by the hon. Mr. Dowling, that this Assembly do resolve itself into Committee to consider the Supply to be granted to Her Majesty.

[The motion was carried without debate or dissent]

MR. MINIELY:

Mr. Speaker, I move, seconded by the hon. Mr. Russell, that this Assembly do resolve itself into Committee to consider of the ways and means of raising the Supply to be granted to Her Majesty.

[The motion was carried without debate or dissent]

MR. MINIELY:

Mr. Speaker, I move, seconded by the hon. Mr. Dickie, Motion No. 2 standing in my name.

2. Be it resolved that a Special Committee of the Legislature be established to review the Election Act and recommend to the Legislature before the adjournment of the present Spring Session such amendments as it deems advisable.

Be it further resolved that, the committee be comprised of the following Members:

Honourable Dr. Backus
Messrs. W. Purdy (Chairman)
T. Chambers
G. Harle
J. Miller
R. Zander
E. Benoit
C. K. French
W. Wyse

[The motion was carried without debate or dissent]

MR. LOUGHEED:

Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into a Committee of the Whole to consider the

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resolution for a Bill for an Act being The Farm Home Improvements Act 1972, seconded by the hon. Mr. Getty.

[The motion was carried without debate or dissent]

[The Speaker left the Chair]

* * * * *

COMMITTEE OF THE WHOLE

[Mr. Diachuk took the Chair]

Resolution re: The Farm Home Improvements Act, 1972

MR. CHAIRMAN:

The Committee of the Whole will come to order to consider the following resolution: Be it resolved that it is expedient to introduce a bill for an act being The Farm Home Improvements Act, 1972. Are you all agreed to this resolution?

HON. MEMBERS:

Agreed.

DR. HCFNER:

Mr. Chairman, I move that the resolution be recorded.

[The motion was carried without debate or dissent]

MR. LOUGHEED:

Mr. Speaker, I move that the Committee rise and report the resolution.

[The motion was carried without debate or dissent]

* * * * *

[Mr. Speaker in the Chair]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole has had under consideration the following resolution: Be it resolved that it is expedient to introduce a bill for an act being the Farm Home Improvements Act, 1972 and begs to report the same.

MR. SPEAKER:

I take it the Committee also begs leave to sit again and does the House agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The resolution is carried.

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MR. LOUGHEED:

Mr. Speaker, I move that the resolution be now read a second time.

MR. SPEAKER:

The hon. Premier has moved that the resolution be now read a second time. Do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The resolution is carried.

DR. HCFNER:

Mr. Speaker, I beg leave to introduce a bill on the said resolution, being The Farm Home Improvements Act 1972. This is one of the steps that we are taking to improve the provision of homes on farms in Alberta.

[Leave being granted, Bill No. 21 was read the first time.]

MR. HYNDMAN:

Mr. Speaker, I move that the House now stand adjourned until eight o'clock tonight.

MR. SPEAKER:

The hon. minister has moved that the House now stand adjourned until eight o'clock tonight. Do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until eight o'clock tonight.

[The House rose at 5:09 p.m.]

* * * * *
[The Speaker resumed the Chair at 8.00 pm.]

GOVERNMENT MOTIONS

MR. MINIELY:

Mr. Speaker, I have received certain messages from His Honour, the Honourable the Lieutenant Governor, which I now transmit to you.

MR. SPEAKER:

The Lieutenant Governor transmits estimates of certain sums required for the service of the province for the 12 months ended March 31, 1971, and recommends the same to the Legislative Assembly.

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MR. MINIELY:

Mr. Speaker, I beg to move, seconded by the hon. Mr. Dickie, that Mr. Speaker do now leave the Chair, and that the Assembly do immediately resolve itself in a Committee of Supply to consider the supply to be granted to Her Majesty.

Mr. Speaker, it is my great privilege to present to the Legislature the first Budget of the new Progressive Conservative Government of Alberta.

It is a Budget which reflects the determination of our Government to establish new directions and new priorities in the provision of public services to the citizens of Alberta.

It is a Budget which reflects the determination of our Government to establish a responsible fiscal climate in Alberta, and to manage public expenditures and priorities in accordance with the wishes of Albertans.

It is a budget which reflects our commitment to open government and to greater disclosure in the Estimates and the Budget of relevant information to the people of this Province on the financial affairs of their Government.

It is a Budget which reflects the priority which our Government attaches to assisting senior citizens, the handicapped, and the mentally ill. It is a Budget which reflects our determination to maintain the family farm as a basic part of the social fabric in Alberta, to provide greater employment for Albertans, and to diversify economic activity in the Province.

Budget Procedures

In order to present Members of this Assembly and the public with a clear statement of the financial situation of the Province and the expenditure program of our Government, a number of important changes in the presentation of the Estimates and the Budget have been adopted.

My address to you this evening is accompanied by four Appendices which provide important background information on the subjects dealt with.

The first presents a review of the financial position of the Province over the past decade.

The Second provides the Government's initial policy statement with respect to federal-provincial fiscal arrangements.

The third provides information on provincial revenues.

The fourth provides an overall summary of expenditures.

I have also adopted the practice of presenting revenue estimates in the Budget statement, rather than in the Estimates Book.

The Expenditure Estimates which have been tabled made available to the public for the first time:

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1. A brief description of the purposes for which funds will be used;
2. A functional summary of each department's expenditure;
3. Data on actual expenditures in the 1970-71 fiscal year and a forecast of 1971-72 expenditures, both on a basis comparable to the 1972-73 Expenditure Estimates; and
4. Percentage comparisons of the 1972-73 Estimates with the 1971-72 1971-72 expenditure forecast.

Therefore, the information contained in the Estimates and in my Budget statement provides the Members of this Assembly for the first time with a comparison of our Government's first Budget with the anticipated actual revenues and expenditures of the preceding fiscal year. In the past, Members were asked to approve public expenditures on a comparison of "Estimates" to "Estimates" without any comparative data on the previous year's actual budgetary performance. These improvements have been accomplished in a very short period of time. We intend in the future to implement further improvements in budgetary and financial information provided to Members of this Assembly in order to enhance the management of public funds and to improve public awareness of Government priorities.

The Estimates reflect the major shifting of expenditure priorities which our Government has undertaken since assuming office as well as further changes which will be presented to the Legislature for consideration during this session.

In order to distinguish clearly on-going operating costs of government programs from long-term capital benefits, we have divided the presentation of the Estimates into two parts: the first presenting the Income or Operating Account Expenditure request; the second presenting the Capital Account Expenditure request and a summary of anticipated Statutory Advances.

Of equal importance to the changes in presentation of budget information which we have implemented, is the approach which our Government adopts toward the budget process. We regard the budget not simply as a summary of financial data, important as this aspect of the budget is, but as a vehicle for legislative and public understanding of government programs and priorities, and an important tool in the development of improved planning, priority determination, and effectiveness in the day-to-day financial management of public services. The establishment of a Committee of the Executive Council on "Finance, Priorities and Co-ordination" provides the framework for integration of financial planning with overall Government priority and policy formulation.

My department will review existing budget procedures in Provincial Government during the coming year, with a view to developing new approaches to the formulation of budget policy which will maximize the effectiveness and efficiency of public expenditures. An important aspect of this review will be to assess the advisability of adopting a Planning-Programming-Budgeting System in the Provincial Government. Our approach will be to develop a budgeting system which will provide real improvements in the allocation of financial resources. Three essential objectives of our review will be:

1. Maximizing public understanding of the expenditures of our Government;
2. Ensuring that provincial expenditure commitments are limited to the financial ability of the Province; and
3. Developing long-term fiscal-planning procedures.

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2. REVIEW OF THE 1971 - 72 FISCAL POSITION

Before proceeding to the Financial Plan which I am presenting to you this evening, I would like to review briefly the current financial position of the Province and the changes which have occurred during the fiscal year ending March 31, 1972. This will establish a realistic opening position as the framework for my present Budget proposals. I have tabled the Public Accounts for the year ended March 31, 1971 which provide detailed information on the financial operations of the previous Government for the 1970-71 fiscal year.

As indicated in Table A7 of Appendix A, the Province's cash on hand at March 31, 1971, was \$143.3 million. However, it should be noted that by September 30, 1971, the cash balance had plummeted to the very low level of \$20.5 million. At December 31, 1971, cash balances had been restored to a level of \$50.2 million.

I would refer Honourable Members to Appendix A which presents the details of the anticipated actual revenues and expenditures for the fiscal year ending March 31, 1972. These forecasts provide a comparison of our Government's first Budget with the anticipated actual revenue and expenditure for the preceding fiscal year.

As shown in Appendix A, we are expecting income account revenues and expenditures to exceed the original estimates of the previous Government by approximately five percent. There are three basic reasons for these relatively large changes.

1. Underlying economic circumstances have improved, particularly in the last six months, increasing revenues substantially. For example, revenues from our three major tax sources, the personal and corporate income taxes and the gasoline and fuel oil tax, are expected to be about \$20 million more than originally estimated.
2. Some important discretionary policy decisions were taken during the course of the fiscal year which resulted in increased expenditure. After assuming office in September, our Government initiated the Priority Employment Program to assist many of our citizens who were unable to find employment during the winter months. Expenditure under this new program is estimated to be \$5.5 million on income account and \$2.5 million on capital account.
3. The previous Government under-budgeted for some major expenditure programs. For example, expenditures on hospitalization, public assistance, and nursing homes are forecast to be about \$35 million in excess of the Estimates presented to this Assembly for approval in February 1971. Similarly expenditures for the homeowner tax discount were underestimated by \$8 million. Of course, approximately one-half of this increased expenditure on hospitals and public assistance is shareable by the Federal Government under the provisions of the Hospital Insurance and Diagnostic Services Act and the Canada Assistance Plan.

3. DEVELOPMENTS IN FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

The past year has been an important one in terms of federal-provincial fiscal relations. The Federal Government's tax reform legislation was passed by Parliament; a new Fiscal Arrangements Act - a unilateral Act of the Parliament of Canada - for the 1972-77 period was introduced in the House of Commons in February, 1972; and the Federal Government advanced new proposals for financing health-care expenditures.

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Our Government supported some aspects of the tax revisions, notably the minimal tax relief which many of our lower-income citizens will receive. However, we opposed, and continue to be concerned about, those aspects of the new tax legislation which will have a detrimental effect on individual initiative and the long-run growth and development of Alberta. The imposition of a capital gains tax and certain provisions relating to our natural resource industries are of particular concern. As tax revision basically was accomplished by the time we assumed office, we had little alternative but to accept reluctantly the undesirable aspects of the new tax provisions.

Quite apart from the implications for individuals and corporations, however, the new tax system has altered unilaterally the provincial governments' revenue raising capacity from the personal income tax field. Rather than correcting the existing inadequate sharing, the revisions to the federal income tax structure have resulted in a reduction of the provinces' share of income tax revenues. As Premier Lougheed stated at the Conference of First Ministers in November, 1971:

"The evidence seems to be clear from the Tax Structure Committee Reports that the present and proposed allocation of income tax revenues by the Federal Government is not even close to matching the fiscal needs of the provinces under our present constitutional responsibilities. The consequence of this failure is to force provincial and municipal governments into heavy borrowing and to rely far too heavily upon property and other regressive taxes to meet certain of their fiscal needs. The result - the taxpayer is not paying for government services in accordance with a reasonable ability to pay."

Thus, in terms of national priorities, our Government strives for a fundamental reform of federal-provincial tax sharing so that areas of constitutional responsibility of the Province are matched by an adequate share of income tax revenue.

As a final point on the new tax legislation, I will be introducing during this session amendments to the Alberta Income Tax Act in accordance with the new federal tax legislation. In addition, we will be entering into a new Tax Collection Agreement with the Federal Government in respect of the personal and corporate income taxes. We will not, however, enter into an agreement for the collection on our behalf of succession duties, and estate and gift taxes, as we have no intention of imposing these taxes on citizens of Alberta.

The Fiscal Arrangements Act provides for extension of equalization payments for the 1972-77 period. Our Government has expressed reservations concerning certain aspects of the equalization formula, particularly the inclusion of non-recurring resource revenues. The Act also extends the Post-Secondary Education Fiscal Transfer until March, 1974. Also it authorizes the Federal Government to stabilize provincial government revenues at 100% of the revenues produced in the previous year from the same tax rates and tax structure, and guarantees for five years the personal and corporate income tax revenue which would have been derived by a province under the old income tax system.

The area of federal-provincial shared-ccst programs is of great concern to our Government. Approximately 40% of our direct provincial budget is tied into these programs, and as our Premier outlined:

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"This imposes a totally unacceptable degree of rigidity on our fiscal planning. It inhibits to a considerable extent our establishing new priorities in accordance with the mandate we recently received. It restricts our ability to determine between competing demands for provincial services".

The proliferation of shared-cost programs is direct evidence of the fiscal imbalance which presently exists between the Federal Government on the one hand, and the provincial and local governments on the other. We have called for a phasing out of these programs which would entail the assumption of full financial responsibility by the Province and additional fiscal capacity through income tax points to meet that responsibility. During 1971, the federal government proposed new arrangements to finance health care which basically would limit increases in the federal contribution to the growth of Gross National Product. Although we concur with the need to restrain the growth of health costs, we will continue to press for additional tax points in place of the conditional per capita grant which is the basis of the present and proposed arrangements.

4. ECONOMIC REVIEW

I would now like to review very briefly our present economic circumstances, and to indicate our expectations for the next year.

Generally, economic conditions improved substantially during the course of 1971. For Canada as a whole, the recovery in economic activity appears to have proceeded at a very even tempo through-out the year, and preliminary estimates show a growth of 9.1% in GNP compared with 7.5% in 1970. Overall price increases decelerated further in 1971 to a 3.4% increase, while the growth in real output amounted to 5.4% - the largest annual volume gain since 1966. Domestic demand was the major source of growth in 1971, rather than the export sector which bolstered the economy during 1970. The major sources of growth during 1971 were a sharp acceleration in consumer expenditure especially on durable goods, housing construction and government spending.

While we have less comprehensive indicators for Alberta, those which are available point to substantial economic recovery in Alberta particularly during the last quarter of 1971. Preliminary indications are that for the full year slightly slower rates of growth were experienced in Alberta than for Canada as a whole, with the major exception being the housing construction industry. Housing starts were up 57.5% in Alberta, compared to an increase of 22.6% in Canada. Retail trade increased 8.7% in Alberta, compared to a 9.2% national increase. Labour income also grew slightly less rapidly in Alberta, increasing 9.7% compared to a national increase of 10%.

A major disappointment of 1971 was the persistence of significant unemployment levels despite substantial gains in employment, especially during the latter part of the year. Part of the problem is the rapid growth in the labour force, but in addition there may have been some hesitancy on the part of employers to expand employment, representing the usual lag in the recovery stage of the business cycle. As a result large productivity gains were experienced in the economy at large, alleviating somewhat the cost pressures of the past few years.

The short-term outlook for the Alberta economy appears reasonably favourable. The economy can be expected to expand more rapidly in 1972 than in 1971, at a rate in the range of 10% to 12%. For a detailed review of 1972 prospects for various Alberta industries. I would refer Honourable Members to Alberta Outlook 1972

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which was released in December, 1971 by my colleague, the Hon. Fred Peacock.

However, despite our general optimism regarding 1972 there are three main areas of concern. First, the labour force will continue to grow rapidly, and it will require sustained rapid growth to move the economy closer to potential levels of output and consequently to reduce the present levels of unemployment. Our employment picture improved substantially during the latter part of 1971, and we expect further improvement in 1972 in response to continued economic expansion and our Government's special employment policies.

Second, we are concerned about the level of price increases. Although price increases during 1971 were lower than those recorded since 1967, there has not been any substantial improvement in the underlying cost structure of the economy. These pressures were temporarily relieved in 1971 due to the sharp productivity gains, but this cannot be expected to continue as the expansion matures. Despite our concern with inflation, however, the Government is disturbed that the increase in the price of food products is not being passed on to a reasonable degree to the primary producers of the food products the farmers and ranchers of Canada.

The third broad area of concern is the international situation. Although an agreement to realign currencies has been reached, it appears that it is already on unfirm ground. More important, however, are the present trade disagreements with the United States as a result of the apparent determination of the United States to correct its balance of payments problems, and the business uncertainty which this has created in Canada.

I have concentrated my remarks on broad short-term economic developments. However, this does not mean that our Government is concerned only with short-term economic developments. We are fully cognizant of the longer-term problems and prospects for our economy, and before concluding my review of the economic situation I would like to mention some of these very briefly.

The Alberta economy has been built on the dual foundation of agriculture and the petroleum industry. Our agricultural sector has unfortunately experienced declines in net farm income during 1969 and 1970, although there was some improvement in 1971. This situation in rural Alberta requires new policies and approaches. The petroleum industry in our Province has passed through major exploration and development phases characterized by heavy investment and substantial crown lease sales. However, the industry has now matured into a production phase with the main revenue to the Province being realized in the form of royalties. The decline in oil and gas exploration has reduced one of our major economic stimulants although we expect some continued investment in production facilities in the form of pipelines and refineries. We are in the process of formulating new policies to stimulate drilling in Alberta.

The future growth of our Province will depend on our ability to guide our economy through the transition from a resource and agricultural orientation to a balanced economy of both primary industry and secondary manufacturing. The creation of new job opportunities for young Albertans during this transition period will be one of the most difficult hurdles of our administration. In this Budget we are outlining programs directed towards the diversification and decentralization of the Alberta economy. The achievement of our goals however, will also require the cooperation of the Federal Government and its regulatory bodies, particularly with respect to overcoming the current underpricing of Alberta's petroleum and

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natural gas exports and overcoming the inequities of existing national transportation policies.

5. THE 1972-73 FINANCIAL PLAN

The Budget which I am presenting tonight calls for income account expenditure of \$1,145.5 million, an increase of 8.7% over the forecast income account expenditure for the 1971-72 fiscal year. For details of the 1971-72 forecast, I would refer members to Appendix A. Because certain expenditures in the Department of Highways and Transport relating to construction of capital works in municipalities are clearly of a capital nature but were included in past years as income expenditures, we have transferred \$23.4 million in the 1972-73 Budget for the Department to the Capital Expenditure Program. Had the accounts been presented on the same basis followed in prior years, the increase in income account expenditures would have amounted to 10.9%. This compares with an average actual income account expenditure increase of 14.5% over the past five years.

As you can see our Government's first Budget represents the lowest rate of increase in operating expenditure for several years, and reflects the financial responsibility of this Government. I estimate that income account revenues will reach \$1.146 million in 1972-73, an increase of 7.9% over that forecast for the current year. I am happy to say that this Government has achieved a small income account surplus (of \$0.5million) without resort to any tax increases.

I am requesting Members of this Assembly to approve a capital financing program based on capital account expenditure Estimates of \$223.4 million, full details of which are included in the Capital Expenditure Estimates Book. This requirement will be met partly by capital account revenues of \$23.9 million and the \$0.5 million income account surplus. It will be necessary for our Government to resort to long-term borrowing in order to finance the balance of approximately \$199 million.

Our financial plan for 1972-73 is summarized in the following table;

SUMMARY OF THE 1972-73 FINANCIAL PLAN
(thousands of dollars)

Income (or Operating) Account		
Revenue		1,146,025
Expenditure		<u>1,145,525</u>
Surplus		500
Capital Account		
Revenue		23,900
Expenditure		
Departmental	183,774	
Net Statutory	<u>39,660</u>	
Total		<u>223,434</u>
Cash Requirements for Capital Purposes		<u>199,534</u>
Overall Budgetary Cash Requirement		<u>199,034</u>

This first Budget presentation of our Government directs our limited resources to the areas of highest priority in terms of the needs of the people of Alberta. Since our Government assumed office a very considerable part of our time and effort has been directed to the examination of programs inherited from the previous Government, and the assessment of these programs in terms of the priorities for which the citizens of this Province elected a Progressive Conservative Government on August 30, 1971. In addition, we have deliberately planned for a substantial budgetary cash requirement for capital expenditures in order to provide additional stimulus to our economy. As I previously indicated, our economy is recovering from the slowdown of 1970. However, the continuing creation of additional employment opportunities for Albertans is viewed by this Government as a major challenge of the 1970's.

The proposed borrowing program is feasible and financially responsible. Canadian bond market conditions during 1972 are expected to be favourable, and indications are that the domestic market will be able to meet our requirements comfortably. Our decision to undertake this borrowing program was made in light of the present debt servicing capacity of the Province relative to the magnitude of our outstanding direct funded debt. Obviously, the Province must have the ability to service the additional debt charges which the borrowing program will entail. In this respect Alberta, relative to other provinces, has at the present time a low direct debt per capita, and as a result, the existing debt service charges are relatively small as a percentage of budgetary revenues. Therefore, the Province has the capacity to service additional debt without strain. In summary, we have concluded that at this juncture a borrowing program is more desirable than the alternative of raising additional revenues through increased tax burdens on our citizens.

I would now like to refer to certain details in the Budget.

6. 1972-73 REVENUE ESTIMATES

As previously indicated, we are estimating total revenues of \$1,146 million on income account and \$23.9 million on capital account for a total budgetary revenue estimate of \$1,169.9 million. These revenue estimates for the 1972-73 fiscal year are based on the existing revenue structure, and do not contain any tax changes.

I would refer Honourable Members to Appendix C where the details of the revenue estimates are presented. Permit me to review the major revenue sources.

Personal income tax revenues are estimated to reach \$224 million for 1972-73, and will account for 19.5% of income account revenues.

Corporate income taxes are estimated at \$73 million while the other major source of tax revenue, the gasoline and fuel oil tax, is estimated at \$88.2 million.

Total estimated tax revenues of \$417.2 million account for 36.4% of anticipated income account revenues. The estimated increase of 9.9% in tax revenues for 1972-73 reflects the expected growth in our tax bases. Personal incomes will continue to rise due to increases in the number employed and relatively rapid rates of increase in average earnings. Corporate taxable income recovered substantially during 1971, and further increases are expected in 1972 as economic expansion continues.

Petroleum and natural gas revenues are projected to reach \$311.9 million accounting for 27.2% of income account revenues. This

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compares to an average of 28.8% over the last five years. Virtually all of the growth is attributable to petroleum and natural gas royalties which will top the \$200 million mark for the first time in Alberta's history. The royalty estimate of \$215.9 million includes recent and anticipated increases in oil and gas prices, but does not include any provision for changes in the rate structure which is presently under review.

The Government of Canada's contributions to shared-cost programs, which is the other major source of income account revenues, is expected to decrease fractionally to \$228.4 million. These revenue estimates have been made in accordance with the expenditure estimates which I have tabled for the various shared-cost programs.

In summary, let me emphasize that our revenue estimates for 1972-73 are based on our existing revenue structure and sources with no tax changes.

7. NEW DIRECTIONS IN THE 1972-73 EXPENDITURE PROGRAM

As for the first time the estimates tabled in the House include a detailed description of our expenditure program, I do not propose to dwell on the details of departmental expenditures in my address to you this evening; however, I would like to speak briefly on the new financial thrusts which have been provided in our first Budget.

Our Government has concentrated its financial resources upon the immediate program priorities outlined in the Speech from the Throne. The major new expenditure thrusts relate to reducing financial burdens on the senior citizens of Alberta; aiding in restoring the viability of Alberta's agricultural industry; providing improved care to the mentally ill in the Province; expanding support for the physically handicapped children of Alberta; and creating increased employment opportunities for Albertans, on both a short-term and long-term basis.

Senior Citizens

For the first time in Alberta, our Government is recognizing the burden which inflationary pressures place on our Senior Citizens, and that these burdens apply to those renting accommodation, as well as those who are homeowners. In keeping with the program priorities outlined in the Throne Speech, the 1972-73 Budget provides: 1. A new program for Senior Citizens' Shelter Act. This major additional recognition of the contribution of our Senior Citizens to the present level of progress of our Province is of two parts:

(a) The first is to exempt all home owners age 65 or over from the 30 mill property tax contribution to the School Foundation Fund levy. This is a significant step forward and is concrete evidence of the Government's intention to reduce the burden of residential property tax for education purposes. Extension of this change in tax burden to other residents will be -- as has been previously announced -- the subject of the basic recommendations of the Government Task Force on Provincial-Municipal Financing. A report is anticipated prior to the 1973 Session of the Legislature. A sum of \$2.5 million is provided for refunding the School Foundation Fund levy to Senior Citizen homeowners where the levy exceeds existing homeowner tax refunds.

(b) In addition, those citizens 65 years of age and over who are not homeowners but are renting private accommodation will receive as part of the Senior Citizens' Shelter Act an annual

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grant of \$50 to help offset the indirect property tax burden on the Senior Citizen arising from increased rental rates throughout the Province. It is anticipated that the sum of \$2 million will be required for this new innovation and support of the immediate program priority for Senior Citizens.

2. \$5.4 million for construction of Senior Citizen's Housing, as well as \$573,000 for Senior Citizen's Homes Grants.

3. \$11.9 million to provide Alberta residents aged 65 or over with premium-free coverage for medical, drug and optional health services.

Agriculture

In accordance with our Government's commitment to increase net farm income in Alberta, the 1972-73 Budget provides for an increase of 32% in operating expenditure of the Department of Agriculture.

This Budget includes:

1. \$2.3 million to fund a new agricultural marketing thrust, an increase of 124% over expenditures for this purpose in 1971-72.

2. \$3.1 million for family farm development, an increase of 46% over 1971-72 expenditures.

3. \$5.0 million for initial capital advances to the new Agricultural Development Fund in 1972-73. This fund will absorb the existing advances to the Farm Purchase Revolving Fund of \$21 million. It is anticipated that the Fund's authorized capital will be fully utilized within three to five years.

Programs for the Mentally and Physically Handicapped

The necessary budgetary support for the immediate program priorities in mental health reform and facilities for handicapped citizens as set forth in the Speech from the Throne is provided by substantial new funds to launch a number of critical new programs in this area.

1. \$15.4 million -- an increase of 13% -- for mental health programs including a special \$1.2 million mental health program to provide concrete steps in overdue reforms in mental health treatment and prevention. In addition, the Province will be supporting a substantial program for expanded psychiatric facilities in active treatment hospitals in the Province.

2. \$14 million -- an increase of 35% -- for handicapped children as well as adults together with children with learning disabilities. This includes two fresh new specific programs. The first administered by the Department of Health and Social Development provides \$1 million of extra public funds to establish and operate sheltered workshops and community residences for the developmentally handicapped and a number of related projects. In addition, the new centre for care for mentally handicapped located at the former Misericordia Hospital in Edmonton is allotted in excess of \$3/4 million of funds for a full year's operations. The second new program is under the jurisdiction of the Department of Education where \$1 million of new funds is allotted to provide assistance to handicapped children with special educational needs and involves policies and projects in diagnostic assessment and treatment.

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3. \$1 million -- more than double the preceding year's expenditures -- for increased compensation for permanently disabled workmen. Included are funds to increase maximum pension benefits from \$175 per month by \$50 to \$225 per month.

Employment of Our Citizens

To develop improved immediate and longer term job opportunities for Alberta's citizens, the 1972-73 Budget provides:

1. \$15 million for capital advances to the new Alberta Opportunity Fund in 1972-73. This fund will absorb the existing advances to the Alberta Commercial Corporation of \$10,850,000 and the limited activity of the previous administration's Industrial Development Incentive Act of \$160,000. Thus, in the first year, the Alberta Opportunity Fund will commence operations with over half of its total authorized capital and should grow rapidly in the next few years.
2. \$5 million within the Department of Manpower and Labour Estimates for Special Employment Programs designed to reduce seasonal unemployment in the Province.
3. \$978,000 for industrial development programs in the Department of Industry and Commerce, a substantial 72% increase over expenditures for this purpose in 1971-72. This amount includes \$366,000 for international marketing, \$156,000 for missions and marketing research, and \$193,000 for transport research and development.
4. \$100,000 for the Department of Manpower and Labour to develop a manpower planning capability in Alberta.

Supplemental to the foregoing major new expenditure thrusts, we are providing additional funds in the following areas:

Education

Our Government has undertaken a major re-ordering of educational priorities. Operating grants for universities have been limited to \$91.1 million, and increase of only 1.8%. The priority which we place on college, technical, and vocational education programs is reflected in the provision of \$43 million for these purposes in the 1972-73 Budget, an increase of 25% over 1971-72 expenditures. An additional \$20 million will be contributed to the School Foundation Program for support of local school systems.

The Environment

The operating budget of the Department of Environment has been increased by 65% over current year expenditures to ensure that present and future generations in Alberta are able to enjoy a clean and healthy environment. These additional funds will provide for major improvement in environment programs as well as the establishment of an Environmental Standards and Approvals Division in the Department.

Tourism

The priority which our Government attaches to development of the tourist industry in the Province is reflected in the provision of \$1.1 million for this purpose in the 1972-73 operating budget, an increase of 27%. The capital construction budget of the Department

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of Public Works also includes provision of \$274,000 for completion of fifteen Alberta Travel Information Centres at various locations in Alberta, British Columbia, Saskatchewan, and Montana.

Northern Development and Native Affairs

The 1972-73 Budget will provide new funds for research, coordination, and communication respecting all Government programs affecting citizens of Northern Alberta communities. This substantial increase illustrates the Government's recognition of the special needs to develop particular programs designed for this part of Alberta.

Major Items of Capital Expenditure

The 1972-73 capital financing program provides:

1. \$63.3 million for the provincial highways program, including \$11.5 million for secondary roads construction.
2. \$23.4 million for municipal road programs.
3. \$38.1 million for construction of provincial buildings.
4. \$35.4 million for capital grants to the Universities Commission, including \$2.5 million for the Three Alberta Universities Fund matching grants.
5. \$7.3 million for capital grants to the Colleges Commission.
6. \$5.4 million for environmental programs.
7. \$50,000 for support of Alberta artists through the purchase of works of art.

Provincial-Municipal Financial Arrangements

Our Government recognizes that it is essential for local governments to have access to adequate fiscal capacity to enable them to make decisions in accordance with their own priorities.

As previously stated, we are committed to major reforms in provincial-municipal financial relations, and have established a Government Task Force to develop recommendations respecting the complex implementation of these reforms. Our capacity to fully realize this objective depends in part upon the fundamental restructuring of federal-provincial financial arrangements. We look for local government support and co-operation in our efforts in this regard.

The 1972-73 Budget removes the freeze on municipal assistance grants imposed a year ago by the previous administration, and provides for a \$4 million or 10% increase in these payments in 1972-73.

As stated above, the Budget also provides for an increase of \$20 million in grants to local School Boards.

8. CONCLUSION

I have just proposed a Budget which is balanced on the operating side. This is a significant achievement, and it underscores our responsible approach to the financial affairs of the Province. At

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the same time we have been able to rearrange the priorities of the Government's expenditure program in accordance with the mandate which we received from the people of Alberta as indicated in the new thrusts just outlined.

I have proposed a capital financing program which calls for a net borrowing requirement of \$199 million. Our economy is presently operating below potential, and we have a responsibility to provide additional economic stimulus in order that more employment is created for those presently unemployed and for the large number of our younger citizens who will enter our labour force during 1972 and the years ahead.

In summary, the highlights of our first Budget are:

1. No new taxes and no increases in any existing taxes for our citizens.
2. A balanced operating budget with increase in operating expenditures reduced significantly from previous years.
3. Senior citizens (65 years of age, or over) in addition to being relieved of medicare premiums, to receive an exemption from the 30 mill education property tax levy.
4. A grant of \$50 to senior citizens who rent private accommodation to overcome the burden of education property tax being passed on by the landlord.
5. The Department of Agriculture to be granted a substantial 30% increase in operating expenditures and an initial capital payment of \$5 million to start the Agricultural Development Fund in order to support the priorities of maintaining the family farm and improving the marketing of farm produce.
6. Two new special programs - each of \$1 million to improve support and facilities for the handicapped children throughout Alberta - one program to be administered by the Department of Education and the other by the Department of Health and Social Development.
7. A new fund of \$1.2 million to accelerate programs of mental health reform in Alberta.
8. A doubling of funds for workmen's compensation to allow disabled allowances to increase from a maximum benefit of \$175 a month to \$225 a month.
9. A \$5 million special employment program allowance for students during the coming summer and to provide a base for next year's attack on winter unemployment.
10. An increase of \$4 million, or more than 10% in municipal assistance grants.
11. Hospital care and grants to school boards, colleges, and technical and vocational schools account for \$55 million, or 44% of the \$124 million total increase in operating expenditures.
12. A capital financing program of \$199 million to stimulate the economy of the Province, including funds for highways, bridges, hospitals, education facilities and support for the Agricultural Development Fund and the Alberta Opportunity Fund to improve and diversify our economy.

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MR. DICKIE:

Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER:

The hon. Minister of Mines and Minerals begs leave to adjourn the debate. Are you all agreed?

HON. MEMBERS:

Agreed.

MR. LOUGHEED:

Mr. Speaker, I move that the House stand adjourned until 2:30 pm. on Monday afternoon.

MR. SPEAKER:

The hon. Premier moves the adjournment of the House until 2:30 pm. on Monday afternoon. Are you all agreed?

HON. MEMBERS:

Agreed.

[The House rose at 9:03 pm.]