

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, October 25, 1972

[The House met at 2:30 pm.]

PRAYERS

[Mr. Speaker in the Chair.]

POINT OF PRIVILEGE

MR. SPEAKER:

Before we start the afternoon, may I report to the House that Her Majesty the Queen has graciously acknowledged the message of sympathy which was sent on behalf of the House on the occasion of the passing of the Duke of Windsor.

May I also mention that a considerable amount of work has been done on the sound system in the chamber and may I ask hon. members to leave the microphones in their present positions. They have been arranged in such a way that they should be adequate in catching sound. The difficulty is that if they're turned to a particular speaker then his neighbour doesn't get the benefit of the microphone unless he also turns it back.

NOTICES OF MOTIONS

DR. BACKUS:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce a bill being The Department of Public Works Amendment Act, 1972.

DR. HOHOL:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce a bill being The Workmens' Compensation Amendment Act, 1972.

MR. LEITCH:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce three bills being The Defamation Amendment Act, 1972; The Land Titles Amendment Act, 1972; and The Legal Profession Amendment Act, 1972, No. 2.

MR. MINIELY:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce two bills being The Alberta Income Tax Amendment Act, 1972 and The Financial Administration Amendment Act, 1972.

MR. J. MILLER:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce a bill being The Brand Amendment Act, 1972.

MR. COPITHORNE:

Mr. Speaker, I wish to advise the House that on a subsequent day I will ask leave of the House to introduce a bill being The Highway Traffic Amendment Act, 1972, No. 2.

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MR. HYNDMAN:

Mr. Speaker, I should like to give notice of motion in respect of two motions which I will move tomorrow, being Government Motions. Both will be moved by myself and seconded by the hon. Provincial Treasurer. The first motion tomorrow will be in respect of Friday sittings of the House. The motion will read that, "Commencing Friday, October 27th, 1972 and on each Friday thereafter for the duration of the current session, the House shall meet for the conduct of business at 1:00 p.m. and shall stand adjourned at 4:30 p.m. until the following Monday."

The second motion of which I would like to give notice today, Mr. Speaker, and move tomorrow is as follows: "Be it resolved that in respect of the membership of the Standing Committee on Public Accounts, the names of the hon. members Messrs. Peacock and Russell be deleted, and that the hon. members Messrs. Farran and Lee be substituted therefore."

Mr. Speaker, while I'm on my feet, perhaps I could give a brief outline of a number of matters of House business for the benefit of members. Firstly, the House will not sit on Monday evening, October 30th, that is next Monday, bearing in mind the fact that there is a certain national event at that time which may be of peripheral or consuming interest to members.

We will not be sitting, as a House, on Monday, November 13th, either the afternoon or the evening, as that is the statutory holiday which has been set in respect of November 11th, Remembrance Day on the previous Saturday. We feel that it would be inappropriate for the House to sit on Monday, November 13th, the statutory Remembrance Day holiday.

The parliamentary dinner is tonight at 6:00 o'clock, and accordingly the motion will be made to adjourn today at 5:00 o'clock to enable the members to get to the dinner which will start at 6:00 for 7:00 o'clock.

The members should note that the privileges and elections committee will continue its deliberations, with regard to rules, beginning at 8:30 a.m. this Friday morning, October 27th, in the chamber.

#### INTRODUCTION OF VISITORS

MR. LOUGHEED:

Mr. Speaker, I have the honour, through you, and to the members of the Legislature, to introduce a distinguished visitor, who is sitting in the Speaker's Gallery. He will be participating with us in the parliamentary dinner this evening, and will be making remarks to the guests on that occasion. It is my pleasure to introduce to the members of the Legislative Assembly, the Netherlands' ambassador to Canada, His Excellency, Mr. Theodore Bot.

#### FILING RETURNS AND TABLING REPORTS

MR. YURKO:

Mr. Speaker, I wish to table Sessional Paper No. 195. [Re: restoration of water levels in Cooking Lake, and Miquelon Lake]

MR. BACKUS:

Mr. Speaker, I wish to table Sessional Paper No. 178. [Re: government motor vehicles]

MR. COPITHORNE:

Mr. Speaker, I wish to table Return Nos. 211, 210, and 209. [Re: river road allowances; secondary roads; highway construction]

MR. DICKIE:

Mr. Speaker, I'd like to table a Motion for Return requested by the Assembly. I would also like to report on another return requested by the Assembly. It was covered by Motion 107, and dealt specifically with documents involving the federal government concerning international sales of Alberta sulphur. The request has been made to the federal government for those documents, and when they are received, the return will be tabled.

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MR. CRAWFORD:

Mr. Speaker, I wish to table copies of the 1971 annual report of the University of Alberta Hospital.

ORAL QUESTION PERIOD

Universities Commission

MR. STROM:

Mr. Speaker, I'm not sure whether I should count to three first and demonstrate that I can, and that the sound system works, but I guess I won't have to. I'm sure it is working. I'd like to direct my question to the hon. Premier. I'm wondering if he could confirm the press reports that the Colleges Commission and the Universities Commission are being phased out at the end of the fiscal year.

MR. LOUGHEED:

Mr. Speaker, I'll call upon the Minister of Advanced Education to respond to the hon. Leader's question.

MR. FOSTER:

Yes, Mr. Speaker, that is our intention. We have stated to the commissions that the end of the fiscal year is the earliest date upon which this could be achieved. It may be that they will continue in operation for some period following the fiscal year, to accommodate the transfer of function and staff, but at the moment we're looking to the end of this fiscal year.

MR. CLARK:

A supplementary question to the Minister of Advanced Education. In light of the minister's statement, what safeguards does the government plan to introduce that can guarantee the academic freedom of the universities of the province against the type of financial blackmail that has been referred to out of the University of Calgary in the last few days?

MR. SPEAKER:

The hon. member's question is in the nature of debate.

MR. CLARK:

With due respect, I asked the minister what safeguards the government was planning to introduce?

MR. FOSTER:

Mr. Speaker, that's assuming that the matter of academic freedom is, in fact, in jeopardy. That is a position which I am not prepared to accept. However, if my learned friend across the floor is concerned that academic freedom is in jeopardy, I would be quite happy, in a debate in this Legislature to talk about the role of commissions in government and the reorganization of the Department of Advanced Education, which at the moment is not firmed up and is in the process of being settled. I look forward to that discussion.

MR. CLARK:

Mr. Speaker, one more supplementary question. Does the government plan to introduce any legislation this session that will guarantee that there will be a buffer between the Department of Advanced Education and the universities in this province?

MR. FOSTER:

Mr. Speaker, I believe the question has been answered by saying that the Universities and Colleges Commission will continue in effect until the end of the fiscal year. It is, therefore, not proposed that any legislation be brought forward this fall with respect to both commissions. So it is inappropriate to deal further with the question.

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MR. CLARK:

Mr. Speaker, a question to the Minister. What is the present role of the GFC, the General Faculty Council? In the past they have had the power to determine all courses leading to degree studies in their universities. Now, has this power been taken away from them by the very fact of this announcement, that at the UAC there should be a three year Arts course established, and if not, then the grant to the four year course would be taken away. Has this authority been taken away from the GFC?

MR. FOSTER:

Mr. Speaker, perhaps I could refer the hon. member to the provisions of The Universities Act wherein are set forth the powers of the General Faculties Council, as well as the powers of the Universities Commission. I think once you have examined both those powers your question will be answered to the effect that the GFC does have a role in program and course development and approval, but the final approval rests with the commission.

MR. LUDWIG:

Mr. Speaker, a supplementary, I wonder if the hon. Minister of Advanced Education can tell the House whether there has been any change in the Conservative Government opposition to the establishment of a law faculty in Calgary?

MR. FOSTER:

Well, Mr. Speaker, the hon. Member for Calgary-Mountain View cites an issue which I suspect he would like to pursue at greater length, and perhaps the question period is not the time. The decision concerning the law school was one made by the Universities Commission. That is a fact. That is what the Universities Commissions say. If you take the time to do more than do a cursory review of the media, you will discover that it was a decision of the Universities Commission, and a decision with which we are prepared to stand for the moment and to examine at a very early date.

MR. MOORE:

Supplementary, Mr. Speaker, to the hon. Minister of Advanced Education. I am wondering if, in his deliberations, his department has been able to ascertain at this point in time what the actual savings will be to the taxpayers of this province as a result of the phasing out of the Universities Commission and the Colleges Commission, and if they have been able to determine that, what is that amount?

MR. FOSTER:

Mr. Speaker, no, it's not a matter for the question period; it could be more appropriately dealt with at some other time during the session.

MR. TAYLOR:

Mr. Speaker, a supplementary to the hon. minister of Advanced Education. Does the hon. minister and the government think it wise for a dying body that is going to be phased out to make important decisions with which it will not have to live?

MR. FOSTER:

The hon. member has not stated to which dying body he refers.

MR. TAYLOR:

Mr. Speaker, I could have but I was not referring to the Conservative party.

MR. FOSTER:

I was afraid he was, maybe, referring to himself.

MR. TAYLOR:

No, I'm not dying; I'm going to live a long time. I was referring to the condition, which the hon. minister said just a few moments ago in case you have forgotten, that the commission was going to be dead at the end of the fiscal

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year; so it must be dying if it is going to be dead within three or four months. So if the commission is now making important decisions, as the hon. minister said, is this wise that a dying body should make important decisions affecting the important item of a law faculty in Calgary, and other items?

MR. FOSTER:

If the former government was prepared to deliver into the hands of members of the public decisions concerning university and college affairs by creating commissions, then I think it's fair to say that they are just as capable now of making those decisions, notwithstanding that the commissions may be phased out at the end of this fiscal year. We have tried to make it very clear to the commissions, in fact we have asked the commissions if they do, in fact, carry on and perform the function for which they were appointed, that each member of the public sitting on that authority be prepared to assume his responsibility to the public and discharge that responsibility, until such time as the phase-out can be completed. The public on both commissions, Mr. Speaker, have assured us that they are prepared to assume that responsibility, and I have no doubt Mr. that the members of the public on both commissions are as well able to perform their functions in the public interest today as they were two months ago.

Student Financing and Housing

MR. WILSON:

I would like to direct a question to the Minister of Advanced Education. Have you met with the Alberta Universities Student Committees on Financing and Housing?

MR. FOSTER:

Yes.

MR. WILSON:

Supplementary, Mr. Speaker. Did you ask for a final report from them and have you received it yet?

MR. FOSTER:

No, I did not ask for a final report from them. I asked for their advice and assistance in the area of student finance and housing, and it is my opinion and my information, Mr. Speaker, that the students are actively working on both subjects and will be presenting a first draft report on both subjects to myself. As far as I am aware -- I haven't seen my mail for a couple of days -- I have not yet received the first draft. I am expecting it any moment however.

MR. WILSON:

Supplementary, Mr. Speaker. Did you, in fact, agree to meet with them prior to today to receive their report?

MR. FOSTER:

I don't recall, Mr. Speaker, a specific agreement to meet with the student groups. However, this was organized at my initiative and I assure the House of my keen interest in both subjects. I think I did indicate to both student committees that I would be interested in receiving their first draft at an early date, at which time I would like to discuss it further with them, and we are also considering some of kind of presentation to the Cabinet Committee on Education. However, that has not really been firmed up and until I receive the first draft and have a chance to assess it and respond to the students, I don't feel that I can carry the matter much further.

MR. WILSON:

Mr. Speaker, is it your government's intention to exempt student housing from municipal taxation?

MR. FOSTER:

I could answer the question, I think generally, at the moment, Mr. Speaker, by saying that no decision on that subject has been arrived at. That is partly the purpose for the student input and something that Mr. Russell and I and others have been examining. The students have identified this as a concern and

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we are quite prepared to listen and to work with them. But to say that we have taken a decision on that subject, Mr. Speaker, is not correct.

MR. DIXON:

Mr. Speaker, to the hon. Minister of Advanced Education, regarding students. As a member from Calgary, there is a great concern at the University of Calgary among the students there. I understand they were going to come to Edmonton today but apparently the meeting was called off, and I understand, and would the hon. minister confirm, are you have a meeting with the students in the next few days. Is it going to be a public meeting, or will it be a private meeting with the students? I have one further question. It will bear on the answer.

MR. FOSTER:

Mr. Speaker, when I delivered my estimates in this House several months ago, there was not one question that I can recall concerning Advanced Education. I am simply delighted that the hon. members opposite have found Advanced Education such a consuming area, and that I have the opportunity to reply to their questions.

AN HON. MEMBER:

You know you don't know anything.

MR. FOSTER:

To get to the question, Mr. Speaker, the press reports that were carried concerning a group of students from the University of Calgary coming to Edmonton, it is my information that that press report was not correct, however I don't know the basis for that. I did talk to the president of the Student's Union who advised me that the information that they were coming here was a bit premature. Mr. McCormick, the president, phoned me one day -- I could not return the call until the following morning -- I had agreed, thinking I would be in Calgary this Saturday, to talk to Mr. McCormick and such students from the University of Calgary, who were anxious to speak with me. Speaking to Mr. McCormick again today we have suggested a later date, perhaps sometime next week, when some interested students might come here or I might possibly go to Calgary. They are examining two alternate dates and we have not yet agreed upon one.

MR. DIXON:

I was wondering if the hon. minister could confirm whether Calgary University is going to become just a feeder university for the University of Alberta, or is it going to maintain its independence? I think this is one of the questions that not only the students, but the public in Calgary are concerned about.

MR. FOSTER:

Mr. Speaker, in my view, that is a hypothetical question. Let me assure the hon. members in the House that there is absolutely no doubt that the University of Calgary is an independent university. I don't know what more I can say, unless you want to debate the relative roles of universities in the province and I would be delighted to.

MR. SPEAKER:

The hon. Member for Calgary Mountain View, followed by the hon. Member for Spirit River Fairview.

Court House Cafeteria

MR. LUDWIG:

Mr. Speaker, I understand that the civil service is terribly dissatisfied with the manner in which the court house cafeteria is being operated and I wonder if the hon. Minister of Public Works -- here it is; do you want me to read it? I wonder if the hon. minister has investigated the complaints of the civil servants and if he could tell us that.

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DR. BACKUS:

Mr. Speaker, the report in the Civil Service Press was the first indication I have had of this matter. I can assure the hon. Member for Mountain View that it will be investigated and we will certainly check it out. As yet I have not had any direct complaints; I simply read it in the Civil Service paper, as he did.

MR. LUDWIG:

A supplementary question, I miss not having given notice to the hon. minister because they prefer to complain to me rather than to him.

MR. SPEAKER:

The hon. Member for Spirit River Fairview.

Harvesting Conditions

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister of Agriculture. In view of the disastrous harvesting conditions throughout the north, but especially the Peace River country, what steps has the government taken and what steps is it planning to take to deal with the situation?

DR. HORNER:

Mr. Speaker, we have been keeping a continuing review on the agricultural or crop conditions throughout Alberta, but more particularly in two areas, one west of Red Deer, the other in the Peace River area itself. We do have contingency plans to make sure that there are available supplies of feed and fodder, and seed grain. We are doing a detailed survey of the areas that are still unharvested to determine the exact situation in each of these areas. That survey is going on now. Additional help and other contingency plans are in the works if they are required in those areas.

MR. NOTLEY:

A supplementary question, Mr. Speaker. In view of the assistance announced with respect to Peace River flood victims on the 27th of September of this year, is the government giving any consideration to the proposal of the Unifarm organization in the Peace -- the NFU -- and a number of farmers hit by the problem, for a \$10.00 an acre grant for the first 250, plus a grant of \$5.00 for each additional acre of unharvested grain?

DR. HORNER:

That is one of the submissions that the hon. member refers to that were presented to myself and the Cabinet in Grande Prairie recently. Since that time the people in my department are doing on the spot, individual farm survey in relation to the situation. No decision can be made until we are aware of the exact extent of it and the involvement that will be required. We are giving consideration to those briefs that the farm organizations in the Peace River country put before us.

MR. NOTLEY:

A supplementary question, Mr. Speaker. At the end of September a release came from the Department of Agriculture from Mr. David Walker, one of your economic researchers, stating that the Canadian Wheat Board was not likely to take very much grain this year. I'm asking you, hon. minister, whether you have had an opportunity to consult with the Canadian Wheat Board officials to see whether or not some special exception can be made for farmers in the Peace River district.

DR. HORNER:

Well, Mr. Speaker, I am not sure yet. We have had continued discussions with the Wheat Board in relation to the situation generally. Certainly we do not want to get into the situation where the damp grain, in 1969 I believe it was, causes a severe block in the movement of grain to export market. However, we are continuing our discussions with the Wheat Board as to what might be done in providing drying facilities in the areas that require them. This is again partly the review that is being done at the moment.

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MR. NOTLEY:

One final supplementary question, Mr. Speaker. It is my understanding from talking to a number of farm leaders the north, that the Federal Minister of Agriculture has indicated that the federal government will be willing to share fifty-fifty on assistance program over a total of over 2 million dollars. Now my question to you is: have you consulted directly with the Minister of Agriculture at the federal level to determine what plan's are going to be made, assuming the present Minister of Agriculture stays in his job?

DR. HORNER:

Mr. Speaker, I have had continuing discussion with the office of the Minister of Agriculture in Ottawa. It has been a little difficult to get hold of him personally in the last little while. We have been assured by the federal government though that they would join with us in any major program that might be required. In addition to that, they have assured us that according to the statutes on the cash advanced legislation, that by November 15 they can make available cash advances on unthreshed grain and that they would give this very favourable consideration if there still remained a lot of grain unharvested at that time.

MR. BUCKWELL:

Mr. Speaker, could the hon. minister tell us, did you have much response for harvesting machinery from the south going north to assist in the harvest?

DR. HORNER:

We had some response. I think that perhaps there would have been more, but the weather broke a little bit about that time. We do appreciate the people, though, from southern Alberta who moved their machinery further north, particularly into the Red Deer area, which was particularly hard hit by snow. I think, as I said, that the weather broke then a little for about a week or 10 days and this held immeasurably in getting some of the crop off in that area.

Insurance Advertising

MR. STROMBERG:

Mr. Speaker a question to the Attorney General. Are you aware of the advertising supplement to last Saturday's Edmonton Journal, the pamphlet put out by Laurier Life Insurance Company of Toronto, which used a direct sales appeal by Art Linkletter? The same type of advertising has been banned in Oklahoma and Florida. I believe that a substantial fine was levied against the company affiliated with Laurier Life by the State of Florida. Is your department prepared to ban or prohibit this type of advertising in Alberta?

MR. LEITCH:

Mr. Speaker, the objectionable feature of that advertising is the use of a well celebrity to sell insurance. The superintendents of insurance in Canada have drawn up guidelines for advertising insurance. This particular piece of advertising does come within those guidelines. The provinces of Saskatchewan and Ontario have accepted the advertising. In view of the fact that Ontario and Saskatchewan have accepted it, that it is within the guidelines, it is our view that we are not in the position to reject it on this occasion. There have been discussions between the Superintendent of Insurance of Alberta and the company, and we are assured that this particular piece of advertising will not be used again. The Superintendent of Insurance advises me that the matter of using celebrity advertising will again be examined by the Superintendents of Insurance for Canada.

With respect to the fine, I am informed that at least a similar type of advertising was before the courts in two of the states of the United States. There was a fine levied. I do not have the information as to why, although we suspect it is because the use of that name by a person who is not registered as an insurance agent within the state is an offence.

At this moment without looking into it, I could not say whether this is the position in Alberta.

MR. STROMBERG:

Supplementary, Mr. Speaker. Is Art Linkletter a registered insurance agent in the Province of Alberta?



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MR. LEITCH:

Mr. Speaker, I cannot say positively, but I rather suspect he is not.

MR. SPEAKER:

The hon. Member for Hanna-Oyen followed by the hon. Member for Calgary North Hill.

Public Submissions - Bill of Rights

MR. FRENCH:

Mr. Speaker, I would like to direct a question to the hon. the Premier. When will it be possible for you to make copies available to the members of the legislature with respect to the representations and submissions that have been received during the past few months with respect to Bill No. 1 and Bill No. 2?

MR. LOUGHEED:

Mr. Speaker, we intend to deal with that matter in committee when we reach that bill; if the hon. member is suggesting that he would like a total copy for all members of all submissions -- is that what the request is?

MR. FRENCH:

Mr. Speaker, I would like to refer the hon. the Premier to Hansard, May 15th, No. 50 page 21; when the hon. Premier stated, "It is then our intention to advertise for submissions from all who are interested, to be submitted to myself, and then in the fall I will undertake to table any submissions that I have to the members of the legislature when we reconvene."

MR. LOUGHEED:

Mr. Speaker, I am aware of that answer, and, of course it is our intention to table the submissions. I was just wondering whether the hon. member was asking whether or not he wanted us to go through a reproduction process so that all members could have it, or if you just merely wanted us to get copies for each side of the House and table it in the normal way?

MR. FRENCH:

Mr. Speaker, I felt in view of the comments of the hon. Premier on May 15th that all members of the legislature would be entitled to the same consideration as any individual members, so I would presume this would include all members.

MR. LOUGHEED:

Mr. Speaker, with regard to the question raised by the hon. member, that will be done and we would hope to have it in your hands within the week.

MR. SPEAKER:

The hon. Member for Calgary North Hill followed by the hon. Member for Edmonton Calder.

Fish Hatchery, Calgary

MR. FARRAN:

Mr. Speaker, I have a question for the hon. Minister of Lands and Forests. Mr. Minister what is the date of the opening of the fish hatchery in Calgary, and will the new scheme for an enhanced aquarium containing Alberta fish be completed by then?

DR. WARRACK:

Mr. Speaker, the date for completion of the fish hatchery and routing station in Calgary is slated for February 15th, 1973, and we feel that we will have no difficulty in completing the display enhancements that have been arranged by that date.

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MR. LUDWIG:

I have a supplementary to the minister. Has he had any representation from Calgary for a somewhat greater grant than five cents per capita for that aquarium, recently?

DR. WARRACK:

As a matter of fact, Mr. Speaker, I have not had that specific representation.

MR. LUDWIG:

Supplementary, Mr. Speaker. Is there any truth in the allegation that the government of 1969 turned a deaf ear to proposals for a seawater aquarium and a fish hatchery?

[Applause]

MR. LUDWIG:

Since the hon. member didn't know ...

Bingo Permits

MR. CHAMBERS:

Mr. Speaker, my question is for the hon. Attorney General, and is actually a followup to a question that I asked him during the spring sitting. It is this; I wonder if the hon. minister has anything further or new to report with regard to the licencing of Sunday bingos?

MR. LEITCH:

Mr. Speaker, before I answer that question, I should perhaps review what had occurred and what leads to it. For some time the Attorney General's Department had been issuing permits for Sunday bingos. About a year ago there was a concern within the department that the Attorney General didn't have jurisdiction to issue permits for Sunday bingo. That concern was confirmed by the decision of the Supreme Court of Alberta about this time last year, which held that the permit issued by the Attorney General for the holding of a raffle was a nullity, because he had no jurisdiction to do so. That question was related to the issue of bingo permits. At that time the department discontinued issuing permits for Sunday bingo. A difficulty arises because of the wording of The Provincial Lord's Day Act. I can assure the hon. member that it is my intention to bring before the House, during this session, legislation which would amend The Provincial Lord's Day Act and clear up any doubt about the Attorney General's department having jurisdiction to issue permits for Sunday bingo.

National Energy Board

MR. WILSON:

I would like to direct a question to the hon. Minister of Federal and Intergovernmental Affairs. Given the great interest in the proposed Mackenzie Valley energy corridor by Albertans, have you requested the National Energy Board to include Alberta in their scheduling of public hearings?

MR. GETTY:

Mr. Speaker, we have endorsed a request from several individuals who have asked for our support in this matter.

MR. WILSON:

Mr. Speaker, a supplementary. Does that mean, Mr. Minister, that a formal application has gone to the National Energy Board, in writing, requesting them to give consideration to Albertans in this matter?

MR. GETTY:

What has happened, Mr. Speaker, is that certain people in the province have written to the hon. Minister of Energy, Mines, and Resources in Ottawa and have, at the same time, asked myself to support their request. I have been happy to do that.

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MR. WILSON:

A supplementary, Mr. Minister. Have you received a reply?

MR. GETTY:

No, Mr. Speaker. It turns out that many of the ministers in Ottawa are occupied otherwise these days.

MR. NOTLEY:

A supplementary, Mr. Speaker, to the hon. Minister of Federal and Intergovernmental Affairs. In your capacity as Minister of Federal and Intergovernmental Affairs, have you had an opportunity to consult within any of the Bank of Canada economists, who have suggested that there would be no problem on the Canadian dollar providing that the James Bay project and the Mackenzie pipeline didn't proceed simultaneously?

MR. GETTY:

No, Mr. Speaker, I have not.

Calgary Court Reporters

MR. LUDWIG:

Mr. Speaker, I'd like to direct a question to the hon. Attorney General. During the spring session I raised the matter of the critical situation with regard to the court reporters in the Calgary Court House. I wonder if you could advise whether any action has been taken to remedy the situation complained of?

MR. LEITCH:

Yes, Mr. Speaker. A short time ago we provided, by special warrant, funds for the hiring of six additional court reporters and their support staff and that is currently going on.

MR. LUDWIG:

So that there has been no additional staff as yet but provisions have been made. Is that correct?

MR. LEITCH:

Provision has been made. Exactly where we are in the hiring process, Mr. Speaker, I can't say without checking.

Medicare Premiums

DR. BUCK:

Mr. Speaker, I would like to ask a question of the hon. Minister Miss Hunley, responsible for the Medicare Program. I would like to know if the government has any intention of raising the premiums in the near future?

MISS HUNLEY:

No, Mr. Speaker.

ORDERS OF THE DAY

MR. STROM:

Mr. Speaker, I rise today on Orders of the Day to make an announcement to the Legislature that affects my personal life and my political responsibilities. This announcement, Mr. Speaker, has direct effect on the democratic process of this Legislature, and therefore I feel it is only fair that I make my statement to the Legislature at the first opportunity that is afforded me since making my final decision.

I hope, Mr. Speaker, that you will permit me to make a few comments at this time, and I hasten to assure you I shall not take too much time.

Seventeen years ago, on August 17th, 1955, was my first day in this Legislature - I sat, if I remember correctly, where the hon. Member for Calgary

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McKnight now sits - and, on that occasion, I had the privilege of seconding the Throne Speech.

I stated then that it was with a feeling of feeling of great responsibility and honour that I took my seat in the Legislature.

In that speech I also stated that on the two or three occasions that I have been privileged to view proceedings from the gallery, little did I realize that one day I, myself, would be a member of this Legislature. I had pledged on that occasion to the people of Cypress, who had expressed confidence in me by electing me, my sincere desire to serve them and the people of this great province to the best of my ability. Mr. Speaker, I can say today that I have consistently tried to fulfil that responsibility as expressed by me on that day in the Legislature.

Governor Askew of Florida has stated, "Being spiritually and morally right is more important than making it in the political or business world." There is a certain amount of moral judgment in every issue. I can say today that my moral beliefs have served as my basis for the tools of judgment. If I were to have set out a code of conduct when I started my political career, Governor Askew's statement expresses it very well.

I entered this Legislature 17 years ago with no personal ambition for myself, other than to serve my constituents as an M.L.A. Never did I expect, Mr. Speaker, to be called upon to assume greater responsibilities. My clear objective in life had always been to do the best that I could in whatever position I found myself. In life, we are constantly faced with new challenges, and each challenge requires decision, and each decision made determines our future role in life.

If I were to mention any period of my life in my years of legislative service that stands out as being particularly enjoyable, it would have to be the years that I spent in agriculture. It was during those years I first learned to know and appreciate the many dedicated and faithful civil servants. I want, at this time, to express my sincere appreciation to all our civil servants personnel whom it has been my privilege to know and work with during my years of office.

In my years of public service the highlight, of course, was my term as Premier of our province. It provided me with the opportunity of meeting people from all parts of the province, and in all provinces of Canada. During these years, I gained some understanding of the problems facing our nation, and it instilled within me a determination to do my part in working for unity in our nation. It was during this time that I became most aware that the measure of success I had obtained, I owed to strong supporters throughout the province, and to those who had worked so closely with me.

Especially, I would like to mention my former cabinet colleagues and caucus members. To them I would express my warm appreciation for their faithful and loyal support. It has also been a real privilege for me to continue serving the people of Alberta as Leader of Her Majesty's Loyal Opposition.

Throughout my years of public life, I have been strengthened and encouraged by my loving and understanding wife and family.

Mr. Speaker, today I wish to announce that this will be the last session that I will be carrying out my responsibilities as Leader of the Opposition. I will, however, continue serving as the Member for Cypress. Mr. Speaker, I want to express my appreciation to you and through you to the members of this Legislature for permitting me to make this statement at this time. I thank you.

MR. LOUGHEED:

Mr. Speaker, I know I speak for all members on this side of the House in expressing to the hon. leader the feelings that we all have with regard to some of the things that he has so eloquently put here today, the dedication that he has had to the public service of Alberta, and I think, very importantly, his own constituency, and the integrity that he has brought to this House, not just as a member, but as a cabinet minister. I particularly noted his emphasis on agriculture because my first meeting with the hon. leader was when he had that particular responsibility on behalf of the people of Alberta. But also as the Premier of this province and recently as the Leader of the Opposition, we respect the hon. leader and we respect the whole way in which he has presented himself today in terms of this announcement. And we wanted, I'm sure, to tell him how very much we recognize the fact that he has in fact throughout his particular career met that entire principle that he mentioned in his remarks.

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MR. NOTLEY:

Mr. Speaker, I wonder if I may be permitted to add my voice to that of the Premier. I too would like to say how much I respect the tremendous contribution to public life in Alberta that the hon. Leader of the Opposition has made. I suppose there are many things in politics; flamboyancy and so on, but the qualities that Mr. Strom talked about, the qualities of integrity, honesty, are qualities that so very clearly sum up his contribution to the public life of Alberta. And so, to make it clear that as members of this legislature, regardless of our political point of view, and I'm sure that in saying this I speak for Albertans of all points of view, we join in saying thank you for your contribution and best wishes in the future years that you will represent your constituency in the riding of Cypress Hills.

#### GOVERNMENT MOTIONS

1. The hon. Premier proposed the following motion to this assembly, seconded by hon. Dr. Backus.

Be it resolved that the Hon. Premier report to the assembly respecting the operations of Government during the period of the adjournment of the assembly from June, 1972 to the 25th day of October, 1972, and that said report be received and concurred in.

MR. LOUGHEED:

Thank you, Mr. Speaker. I start my remarks today first of all in extending to members of both sides of the House a welcome back to the chamber, a welcome back although I think its fairly clear from comments that I've heard from members on both sides that they have been very, very active in their role of M.L.A., both in terms of their constituencies, in terms of task forces, and in terms of legislative committees in the course of the last four months plus.

The sitting today, Mr. Speaker, as all members are aware is a historic one in Alberta. It is the first regular fall session. There have been incidents where specific fall sessions were held to deal with specific items, but in terms of commencing a series in a sequence of regular fall sessions, by way of general fall sessions, this is of course the first.

The objectives of the fall session, I think there are a number of them. The first one, of course, is a public input into the legislative process. In my view, that is probably showing itself as the most effective reason for a regular fall session. I noted, for example, the question in the question period by the member for Hanna-Oyen of the submissions that we received with regard to Bill 1 and Bill 2. It gives the public, in my view, an opportunity to take an opportunity to access legislation that has been presented in the spring, consider it and make submissions. That is certainly true as hon. members will observe when we deal with the Mental Health Act as well, and I think there are other good examples of that. It is clear to me that the opportunity to perhaps take a careful, second look at some legislation and pause and adjourn from the spring session into the fall has got some worthwhile utilization for all members of the House.

I have always felt, or felt in previous years, that we had the difficulty of running through a fairly lengthy speech from the Throne into an extensive budget debate and then a very long and involved process of the estimates and then rushed through the legislative portion of the session, and I don't think it is a matter of fault, I think it is a matter of the way the situation was established. I think we can do better than that. I think the public wants us to do better than that, so for that reason I think it is a very important objective. I think too, that we can hopefully balance the committee work, so that when we're dealing in the spring session with the important matter of the budget debate, the members are not so involved with standing committees, and in particular I think it is useful that public accounts be dealt with more expeditiously from the time they are tabled and made available to the public. I think they are more meaningful if they are dealt with more expeditiously.

I think another obvious matter is that the citizens of this province through the Loyal Opposition are entitled to an opportunity, not just annually, but on two occasions, to have the ministers of the government answerable for their actions in the course of the normal democratic procedure and I think that is highly desirable as well. And finally, of course, I think the member of the legislative assembly is increasingly involved in a very complex situation and this gives him an opportunity to assess some of the difficult legislation with

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some time really to do some homework. These are all good objectives for the fall session.

The hon. members will notice the Order Paper in the Government Bills and Orders, of course. The Alberta Bill of Rights, and The Individual Rights Protection Act will be dealt with later in the fall session as well as The Mental Health Act. It is the intention of the government to bring forth at this fall session some minor administrative acts and some are fairly significant new acts, somewhat between 15 to 25 new items of legislation.

As I mentioned, the Legislative Committees have been involved in working. We should be getting a report on the committee that was looking into the questions involved in Bill 107 on The Communal Properties Act, and with regard to censorship.

Essentially, it is the objective of the government to concentrate the fall session on legislative matters and, of course, too, these matters appear in terms of our new rules to give an opportunity for bills to be presented by private members and to be debated on Thursday afternoon.

It is not our intention to in any way consider during the fall session the Provincial-Municipal Finance Plan. The task force has reported under Mr. Farran, in August. He has held, together with the other members of the task force, numerous meetings with local government people and groups generally in the province. Frankly, the work of the report has been excellent. I think they did a very first-class job, in a very short time frame, in bringing together a lot of important information. However, we are awaiting the two conventions that are important with regard to this matter. One, going on right now, and the Minister of Municipal Affairs will be going to Lethbridge tomorrow to attend the Urban Association. And then, in mid-November, the Municipal Districts and Counties will be holding their annual meeting and we will want an opportunity to consider their views, and then to consider views of others, because we are pretty determined in something like this in this reform to be concerned not just with local government but with the people.

The final assessment will be made during the month of December, and we would hope that we would have a decision on this issue in January of 1973. I am sure all members are aware that this particular item is something that would come within next year's budget, that is for the fiscal year commencing April 1, 1973.

The Commission on Educational Planning has, of course, issued its report. There has been a great deal of input. I am sure the Minister of Education would welcome any questions on the degree of the input that has been received by the Cabinet Committee. I would hope that there would be a way in which we might have an initial debate during the course of this fall session on the Commission on Educational Planning and its report.

We will be presenting Position Papers during the fall session on the Priorities Employment Program for the coming winter, and on natural resources, which I intend to mention later in my remarks, as well as in other matters.

I would like to make it clear, and I think it may be already obvious, that as far as our administration is concerned, it is not our intention to take positions, reach decisions, that are not properly, and fully, and adequately considered. And by that I mean, and I think there are a number of examples of which members opposite are fully aware, and members throughout the House, that we do not intend to make these decisions merely at a time that might suit the opposition or suit any particular self-interested group. We intend to make them after they have been fully considered, and that will be one important, and I think, if you like, consistent position of our administration. We will make those decisions when we are in a position to properly and adequately do so, and not before.

Mr. Speaker, since we adjourned in early June, I certainly have had an opportunity to do what I particularly like to do, and that is to travel throughout this province. I believe it is most important for the leader of government to do so. I believe it is going to be even more important in the future. One of the positions that our administration has always taken, is that we should try, to the maximum degree that we can to be responsible to the people of Alberta and to hear their views, to hear their views before we, in fact, make a decision. Shortly after the session concluded, I took a trip through three Indian reservations in this province, together with Mr. Adair, to Saddle Lake, to Kehewin and to Cold Lake, to speak to the annual meeting of the Indian Association of Alberta, to make an assessment of some of the problems in the way

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that they wanted us to work with them, and I think I was able to make some satisfactory progress with them on the school at Cold Lake.

I also made brief visits to High River and Ponoka. I would like to say that I was very pleased with the facilities that were set up in Calgary by the previous government. They were first class. They provided an excellent nerve centre for an administration. They have been fully utilized, not just by myself but all the ministers. In fact, we have set up an arrangement now where the ministers go to the City of Calgary for a three day period and take the time during those three days not to deal with just matters of their particular portfolio and interest but general matters.

We did something else that was unique this summer. At the January meeting of the Prairie Economic Council the Government of Alberta was to be the next host province and we reached the conclusion that, with due respect to the Edmonton members and to the capital, it was a desirable thing for us as a government periodically to take events such as a meeting of the Prairie Economic Council to communities in Alberta outside the capital. We intend to do that again. There are other places where we could consider holding it. We thought it would be appropriate that we start with Lloydminster, as a border city. This plan was extremely well received. What I think is important about it, is that that particular function could have occurred in the capital city and as far as the community at large would be concerned, because of the size of the city, would not have mattered a great deal. But I'm sure that the hon. Member for Lloydminster would concur with my view that it had a very important impact on the citizens of Lloydminster.

I also made a visit to Medicine Hat and had an opportunity there to confirm our views with regard to the air conditioning that the hon. member asked for in the spring Session and to make an inspection regarding the bridge, although I am sure that the hon. Minister of Highways will probably not be able to give the full assurance that the hon. member would like in regard to that item.

I also went to Banff to the School of Fine Arts because I think we have to have a re-assessment of that particular, and very important institution, in terms of its objectives. It is doing a very excellent job.

I have made trips to various locations in the province -- Innisfail, for example, where I spent one day trying to get a first hand feeling for the concerns of the people. Some of these trips, of course, are not just something that is scheduled; they are something which permits you to respond to a particular problem.

In late August a situation developed in the remote community of Janvier in northeastern Alberta and, together with four ministers, I went into that community; the conditions there, I would have to describe as appalling. There just has to be some improvement, certainly in their physical conditions. We were there, we made an assessment. I think we did it well. We sent in some preliminary people from water resources, so that when we were there we were able to make a definitive decision to do something then. What frustrates them and what is hard, as people know who have been in government and are now in government, is to ignore the fact that the problem must be studied yet one must try to be decisive, at least about a few things. We were, in that case, able to say that there was one thing that could not be allowed to continue in that community and that was, of course, the water supply situation. I am happy to report now that I have heard from the hon. Minister Without Portfolio, Mr. Adair, who is responsible for these matters together with the Department of Environment. It may seem something small to some members, but to me it is not small, that 10 wells now exist within that community. What those people within the Indian reservation saw was a drilling rig come in and drill some wells and then leave. That had a very sad effect upon the adjacent Metis community. These 10 wells have been completed and are now in production. That's not enough and we recognize it.

We were also appalled to see the New Start facilities -- regarding which the hon. Member for Lac La Biche - McMurray had spoken effectively in this House in the spring -- sitting there with padlocks. I think our administration has got some very urgent responsibilities to assure that such facilities are used, not just for what we think they should be used for, but with concern for some input from the communities themselves. What would they like? I know the hon. Member for Little Bow has had considerable experience in this matter and recognizes, too, that what is important is that we somehow have to find a way that we can tie together what is the desire of the community and not just what might be our desire. Because what happens in these cases? You come in with programs, you upgrade the training. What happens -- the leaders in the

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community go, and leave the community without leadership. That is going to be a difficult problem for us to face, and we know it. We do not pretend to suggest, by raising these remarks, that we will be able to solve the problem but we do want to say that in the course of the next Session of the legislature we intend to have some/further plans in that particular area.

My travels also took me to Lethbridge -- where I saw a number of the hon. members -- and I was pleased to participate in the third university opening. I think they did an excellent job in the way they have physically set up the University of Lethbridge. I think it has an appeal to students throughout Alberta.

I think we have been pretty well clear about our position. We are fully committed to assuring that university reaches a stage where it can in fact not be too seriously affected by the ups and downs in that terms of enrollment. Once it reaches that stage, though, I think it has to consider itself in the same position as other universities in Alberta. At the time we were there we were able to make a final assessment, following up the trip of the Minister of Highways, in making a decision with regard to the bridge in that community which I think is important in terms of strengthening Lethbridge, insofar as not just the university is concerned, but its general economic growth and vitality.

Finally, in terms of travels within the province, we had a first cabinet meeting outside the capital. It was not just the cabinet meeting that was important in Grande Prairie; what was important was, that the ministers were moving into all of the communities within the entire north and south places. They were listening to submissions of people, individual citizens, as well as groups, and obtaining, first-hand, some of the reactions of people to programs that either had existed in the past or that were being proposed. I can not emphasize enough how important I think it is for government ministers to see these problems first-hand and for the government to go to the people. The Ministers themselves of course, travelled extensively. Almost all M.L.A.s have been doing this. The Minister of Highways and the Minister of Agriculture made an extensive tour through southern Alberta, we have had trips through Fort McMurray and to Coleman and throughout all of the province. In fact, there were days, a number of days in the last four and one half months where there were under six ministers in this building. They were moving that extensively throughout the province. And that is the way we want to have them do it. Two other examples; when we had a problem a week ago in Grande Cache, the Minister of Manpower and Labour was in there within a matter of hours and I think he made a very important contribution to settling a very difficult problem there. In addition to that, the Minister of Agriculture within almost less than an hour was out of here by helicopter and in Bashaw observing the situation with regard to tornado damage in that community. I think it is important for a government to move that way. Another example is that the Attorney General and Miss Hunley, went on a tour through the Correctional Institutions in this province and this, of course, will be helpful to them in terms of developing new policies. In making a general comment about ministers, I really should not go by the fact that the Minister of Youth, Culture and Recreation because if any member in this House has gone through four and a half months without running into him twice, he has not been moving around the province.

Finally, in terms of travel I would like to say that it is the intention of our administration to take the Cabinet to other areas of the province. We would appreciate the comments and suggestion of members of both sides of the House, as to when it might be useful to go to their particular area and also suggestions as to what particular problems we should look for and what particular places we should visit.

Since we adjourned in June, we have had a number of decisions that have taken place with regard to the Medicine Hat Hospital.

The decision of the federal government not to proceed with Village Lake Louise was, I think, very significant. There is no doubt in my mind or that of Mr. Getty that the decision of the Alberta Government to not support that project which was far too large and vast, had a very profound, if not the key factor in terms of the decision of the federal government to not proceed.

We had, as mentioned in the question period, decisions to make on an affirmative basis with regard to flood assistance by both Dr. Horner and Mr. Adair. We concluded an agreement which will be the subject of Legislation between the City of Edmonton and the Alberta Government Telephones in the matter of their dispute.

We have already had raised in the question period the decision regarding the Universities and Colleges Commissions. We in fact have moved very



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extensively on the road in Kananaskis, to open it up for the people of the province.

We made a decision, which we know, but that is the nature of Government, was not, of course, fully accepted by all citizens, but these are the decisions that the Government has to make, and that is to open up for alcoholic beverages in the auditorium.

We moved, too, with the establishment of the Alberta Art Foundation; we increased the minimum wage from \$1.55 to \$1.75

We concluded an important agreement with Calgary Power that in fact permits this government to have full jurisdictional control over that operation.

We made a decision in the Department of Education that a student over 18 could drop back into the school system, and it would be one in which the grant situation would continue to pertain.

We made a decision to ban fireworks, except in very rigid circumstances, as a result of the initiative of the hon. Minister of Manpower and Labour, and a tragedy that was involved.

We met the decision regarding the police chiefs and reached a conclusion that by regulation the chief of police in communities of significant size in this province would be Canadian citizens.

And we also, despite some pretty vigorous lobbying, reached a conclusion that the Beverage Container legislation introduced by the hon. Minister of the Environment was one that people can do a lot of talk about environment, but one had better take some pretty strong action as well when it comes down to the situation of litter control. I think the decision, and the way that we pressed forward on that, is clear evidence that this government does not intend to be cowed by corporate pressure of that kind.

With regard to the federal government relationships involving the Department of Federal and Intergovernmental Affairs, we entered into an agreement with the small farm development with the federal government which is an agreement not to adjust farmers out of their livelihood, but to develop and expand them; and particularly to help young people on the farm. An excellent job was done by Dr. Horner in negotiating that agreement. And I think it clearly shows the emphasis that this government has upon the family and the farm. I think it will be proved, combined with the agricultural development regulations and its guaranteed loan program, to be of significant assistance to our agriculture community.

We have made some progress in regard to irrigation rehabilitation programming. We have a tentative agreement with the federal government, but I suppose the events of the last six to eight weeks have precluded us from having that particular matter finalized.

One area of very major concern as all members know, is the rapidly escalating health costs, which hon. ministers, Mr. Getty, Mr. Crawford and Mr. Miniely have been negotiating. I was pleased at the Prairie Economic Council Meeting in Lloydminster in July, that there was a considerable amount of co-operation shown there in ways in which we might be able to work together to help to keep some control on costs in this important area. We are continuing negotiations with the federal government; it will be one of the most important decisions our administration will make. We welcome suggestions from the other side -- positive suggestions as to how they feel we can help to control the escalating health costs and hospital costs in this province. We welcome specific suggestions.

Speaking about the area of federal and provincial affairs, I would have to refer briefly to the Halifax Premiers' Conference in early August. At that time, two of the clear important matters were: (1) the fact that we felt, or all provinces felt, it important that the municipal administration and local governments work with, and properly, in accordance with the constitution with provincial governments, and (2) that there not be a bypassing by the federal government direct to the local government level. This was a decision that was fully endorsed by all ten provinces there at that time.

There was a second conclusion that came out of the Halifax Premiers' Conference which was important. That had to do with post-secondary co-operation. There are many of our citizens -- and I suggest hon. members should give this some pretty careful attention -- there are many of our citizens who are concerned about priorities, and about priorities in terms of post-secondary

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education. They are concerned about how the dollar is spent and the quality of that dollar. And there was a very queer expression by all ten premiers at that meeting that we would do everything we could to work together to balance out across Canada post-secondary educational costs; to recognize the enrolment declines at the university level; the desire of students for technical and community colleges. We have heard some remarks on that already today from the hon. Minister of Advanced Education. The finance ministers and education ministers will be meeting in November to deal specifically with the question of how provinces can work together to reduce costs in this very important area. I think, in total, the premiers' meeting in Halifax was one where there was a very close and effective working relationship between the provinces.

Now in terms of our action on priority programs, I think the senior citizen one is the one I should report on first. Under The Senior Citizen Shelter Act, I am advised that some 21,000 senior citizens, involving some \$2.5 million, have received additional benefit over and above what they had in the previous years. That is a very important and positive move by our administration that has helped the senior citizens of this province. I think it is very important that this was done.

Mr. Speaker, in addition to that, there are many other examples in the senior citizen area. I was pleased with the report from the hon. Minister of Advanced Education and the decision which was made to turn over some of the facilities of the old Mount Royal College campus to the Calgary Senior Citizens' Council. I think members from Calgary on both sides of the House recognize the merit of that decision by the hon. minister. The Senior Citizens' Council proposal was selected from many submissions that were received.

Mr. Speaker, I was going to give, as part of my remarks today, a report on progress in mental health. But when I read the report that I received by way of summary from the hon. Minister of Health and Social Development, I felt it was of such substance and significance that it should be treated separately. I'm delighted with the progress made. We have a long way to go in that area but there is a considerable amount of very tangible progress being made by a very busy minister. I, for that reason, would like to pass over that and hope, Mr. Speaker, that you and the hon. members would permit the hon. Minister of Health and Social Development to give us a progress report, within perhaps a week, on this very important area during Orders of the Day. At the same time I'm sure he'll also show the progress made by his department in such a short period of time in terms of services for the handicapped in our society. In addition to that, the hon. Minister of Education has informed me of the progress made in that department in terms of their activities for handicapped children, which was one of the basic priorities of our administration. He advises that two pilot projects (one in Grande Prairie and one in Red Deer) have been initiated to increase the extent of identification, diagnosis, assessment, and treatment of children with educational handicaps. That is a \$500,000 program. It is an expensive program and I think a very important priority. So, when you're talking about priorities and where you want to spend your money, I think you should look at the need of that particular type of priority. Because we're only involved in two communities in Alberta, and that is what the cost factor is. But, progress in that area -- to help young people, before they reach the school, to detect educational handicaps -- you could turn that into a dollars and cents basis if you wanted. On a dollars and cents basis it would obviously be good sense too. But what is more important is from a human point of view, that those priorities are the priorities of our administration.

Mr. Speaker, action on other fronts involved something that I thought was very significant from the Alberta Housing Corporation. We know the needs in certain areas to meet housing requirements. The finances available from the Alberta Housing Corporation, the direct lending source, have been increased from \$5 million to \$15 million. But more important than that, perhaps, is that the regulations have been altered and up-dated in two very important spheres. The upper limit for individual loans has been increased from \$18,000 to \$22,000, and loans are now available to builders for units for rent or for resale to qualified purchasers. The second item will be helpful, we believe, to our smaller centres when it is used in conjunction with the Alberta Opportunity Fund. I noticed, among my review of press clippings, one from The Drumheller Mail of September 27, 1972, just so the hon. member knows that I'm reading about activities in his community and the statement in that editorial about this program. The program is tailored for cities, such as ours, where there is a great need for accommodation, and adequate financing is not available. So we'll look for the endorsement of the hon. member on that item.

Mr. Speaker, we talked during the last session and spent a considerable amount of time publicly referring to, what we call, the PEP program which we initiated on a crash basis last fall. The Priority Employment Program

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essentially deals with the problems of winter unemployment. The status report I have received on that is that the last year's program helped 4,300 Albertans; a very significant enterprise, without a doubt. It involved \$8.5 million of additional provincial monies. We hope that the hon. minister, in a matter of not too many days, will be able to provide us with a position paper as to the PEP plans for the forthcoming winter. The STEF program, that the hon. Minister without Portfolio, Mr. Dowling, has effectively led, involved some \$2.5 million of additional funds for our students during the course of the summer, and some 2,600 young Albertans found employment at either the provincial or municipal level. The evaluation, of course, as to how we can make improvements is, I understand, continuing with regard to the STEF program.

One of the other events that occurred during the course of the adjournment was the initiation, by the Minister of Culture, Youth and Recreation, of a cultural heritage conference here in the capital. It was held in June, and in the view of everyone who attended, it was an outstanding success. I'm sure the minister would be pleased, if you would ask him, to answer any questions about it. Over 55 per cent of the citizens of this province represent distinct cultural backgrounds, and at this conference there were 52 cultural groups represented, and over 380 people came from all parts of the province. The minister intends to follow up very soon with announcements with regard to this matter. I think it is very important that the public is aware of the multi-culture attitude of our administration.

Now to move generally to the state of the province's position from an economic and financial point of view. First of all, in terms of agriculture, the report from the Department of Agriculture is something that I think is significant for myself to present at this time. All sectors of Alberta agriculture are showing marked improvement in 1972. Cattle prices have been at satisfactory levels, but hog prices have risen steadily since the beginning of the year. Nearly all of the grains and the oil seeds have been harvested, and above average yields are reported. At the same time, prices of wheat, oats, barley, and flax seed have rebounded to high levels.

In the service sector, sales of fertilizer and machinery are at record or near record levels. The food processing industry is also showing continued growth. Growth of farm income for 1972 is forecast at \$900 million; approximately \$100 million more than 1971, and the highest on record. Total net income has returned to the levels attained in the mid-1960's and is now being shared by fewer farmers. A close watch is being kept on the harvesting situation as the hon. minister mentioned during the question period. These prospects of prosperity in agriculture are expected to continue in 1973. However, this optimism must be tempered by notes of caution, because certainly history has shown that these years in the past have been followed by periods of surpluses and low prices. That is why it is so important that the Department of Agriculture have a very accelerated role in terms of marketing and in finding new markets. I know, and we all know, the determination of the minister in that regard.

I would like to refer to an editorial on the agriculture approach of our administration by the respected Country Guide of August, which is a Winnipeg-based editorial. It's in a move to develop a similar policy on a provincial base.

Alberta's new government has taken a stance on agriculture this country hasn't seen in many years. Alberta is known as an oil and gas rich province. It has fast growing population, burgeoning cities and emerging industrial base, but still the Premier has named agriculture minister, Dr. Hugh Horner as Deputy Premier, and made it clear he regards agriculture as a dynamic growth industry. Horner underlines that point, noting that agriculture contributes over 50 per cent of the gross provincial product.

He may be a few percentage points above, but 50 will do.

To give stronger support to that industry, he is developing a strong marketing department. He is setting up a program of incentives to new processing plants in farm areas throughout the province; he has declared an Agriculture Week for the province - the first week of October - to focus attention on the contribution farm families make to the provinces' economy. That program is proving to be a sound one. A stream of buyers from countries around the world is journeying to the province, seeking out sources of supply for food products. Sales are being made. It is evidence that there are markets for the products Alberta farmers can grow, and that an aggressive market-oriented thrust will pay off, so long as farmers will produce the product and find the means to move it to market.

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That, I think, is a good endcrsation of our minister.

With regard to the general economic picture in the province at this time, the first six months most indicators show a year of strong growth which should continue into 1963. The first six months most indicators show a year of strong growth which should continue into 1973. Manufacturing in the first seven months is up 14 per cent, but there is a concern. There is clearly not in the Alberta economic situation at the moment enough diversification. The agriculture and meat packing industry, if you look at the figures carefully, is a product of agriculture, and yet when you look at the statistics regarding manufacturing that's where they're included. There need to be certainly new and longer term policies in terms of diversification and that, of course, is one of the objectives of the Alberta Opportunity company.

Retail trade in the first seven months is up over 14 per cent. In the forestry industry, the lumber prices are strong and sales are up 30 per cent. With regard to the labour force, and I think these are perhaps the critical statistics, in September of 1972 there were 696,000 people in Alberta in the labour force working. That's 28,000 greater than a year ago, and the test -- and I stand here making it the test -- I think we should look at the test provided we have the right statistics in terms of making sure that these statistics have some improved degree of accuracy. We should also look at is the degree in which we are creating new jobs year by year in Alberta. In terms of unemployment, at the moment its 3.3 per cent, which is the lowest in Canada, but there is some concern. There is a shortage of certain skilled people in our provincial economy and I think we have to overcome this shortage. I am sure the members are all aware of the emphasis that our government has given to the new and completely restructured Department of Manpower and Labour, and that that department is a linch-pin between the training departments of Education and Advanced Education and the producing departments in terms of the Department of Industry, the tourist area, the Department of Agriculture and others.

Now, in my view, the key for sustained growth in Alberta, an even greater strength involves these factors. Revised natural resource policies, a sound fiscal management, new manpower policies, world development and diversification, a climate for appropriate -- I underline that word appropriate investment, and marketing initiatives. With regard to the last two, it brings me to the Japanese mission.

It is important that we, as a resource province, have access to capital needs, but the terms must be satisfactory to Albertans. There cannot be a sellout of these resources. There is a need to require new policies, to establish new policies. The emphasis in terms of investment should surely in the decade ahead be shifted to the extent we can, to debt rather than equity financing, and when it is equity financing, as much as possible from the minority point of view, if outside the nation. It is important to note that the provincial credit rating is the highest possible. In my visit to New York in June, we attempted to communicate, as a new government, to the bond financial people there, some of the attitudes we had as a new administration because they naturally would be involved in the debt financing of this province.

But also I would like to point out, Mr. Speaker, to the members of the house, that it is important for our government to have alternate sources of financing, and that we intend to look to Europe, as we mentioned years before in this legislature, and also to Japan. There was considerable interest in Japan with regard to investment of that nature. And we were making it fairly clear that it was of that nature in Alberta.

As far as the mission is concerned, I think the timing was fortunate. It was between the time that they had met with the United States and were moving to Peking, that they recognize in Japan that they have something in the area of \$12 billion of surplus creeping up on them -- that's the figure -- \$12 billion, very rapidly and that they have to have a complete revision of the trade policies. It was a good time to be there; our mission of 40 was divided between private and government. We had five task forces on agriculture, natural resources, industrial possibilities, investment, science and research. We had two major objectives; to increase the awareness of the Japanese government and business people as to the opportunities in Alberta, but more important than that, the opportunities of our sale of processed products into the Pacific Rim area. We were there for five days and there were over 40 group meetings and 104 meetings in all. Probably the most significant meeting was with the Keidanren, which is the business group that involves and advises the Japanese government.

The other objective was, of course, to explore possibilities for increased export, and a number of areas come quickly to my mind in pre-fabricated housing

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and the need to have the standardization approval of Alberta forest products which, we were a little appalled to find, had not occurred before.

With regard to pork -- the obvious situation -- their demand is increasing by 10 per cent annually while their domestic consumption is only increasing by 3 per cent, and there are other areas.

But throughout it all, we emphasized in our closing statement, the view of the degree which we felt as an administration, that there had to be more processing in our province.

In concluding statement to the Japanese news media and business community, I said this: "We are confident that we have communicated to the government and business representatives of Japan, that it is not the policy of the Alberta government to restrict our trade to the shipment of raw materials, but that we have a strong desire to extend the degree of processing of our natural resources, wherever practical before shipment, in order to provide jobs for our citizens."

And in a press report by the Vancouver Sun, a reporter, talking about our trip from Tokyo, made the statement: "The main thrust of Loughheed's statement to Japanese leaders suggested they buy processed raw materials from the province, instead of doing the processing in Japan." He explained that the province, still heavily reliant on primary industries, wants to develop its secondary industries as well as lessening its too heavy dependence on American investment.

Mr. Speaker, the results of that mission in my view confirms our judgment that they are valuable and there will be others. They might be different in terms of size or scope or approach, but there certainly will be others. It is the intention of our administration as I mentioned in my remarks in Lethbridge, to have an outward look wherever we possibly can, certainly an outward look with regard to trade.

Mr. Speaker, this brings me to an area which is causing all Albertans a considerable degree of concern, and that is inflation in food costs. In January and July, the consumer price increase was 3.6 per cent greater than in 1971, and some suggest that there should be a need for wage and price controls. Now quite obviously, that approach, in my view, won't work too well on a provincial basis, if at all. And it is a national problem. But certainly, the responses of provincial administrations to such a program is important. I think the jury is out in the United States in the effectiveness of such a program. At the best, it is next.

But I commend to the hon. members' attention a report in the last edition of the Canadian Welfare, by David P. Ross of the Department of Economics of the University of Windsor. I think Mr. Ross makes some considerable sense with his view that wage and price controls are something nice to grab at -- a nice solution to grab at. But the people who really don't benefit from it are the very people you are trying to help, the low income people, for a lot of different reasons. One of them, of course, is that they are less able to be involved in the negotiating process of higher wages; secondly because they are so often involved in their acquisition and consumption and the service sector, which is the hardest to control, and there are many other reasons. I commend that particular document to all members of the House too consider before they rush to quickly into what may be too easy an apparent solution.

I think that the matter, though, of food costs, needs some comment at this time in the Alberta Legislature. It has grown in the last two years; the food costs have increased by way of the consumer price increase index at twice the rate that the general consumer price index has increased. In other words, the cost of products that you purchase in this province, generally, is going at a certain rate, and the cost for food products is double that. Now that is a matter of considerable concern to our administration. When we went back and reviewed the Batton Report of the Report of the Royal Commission on Consumer Problems on Inflation, which was tabled in this Legislature some four years ago, on page 205 there was a reference to the grocery business and to Canadian Safeway, and my memory, I believe, is accurate, that very little action has been taken with regard to that report, for reasons of which I am not aware. But in any event, we have now heard and read, and we are very much aware of the decision of the federal Combines Branch particularly to select out the operations of Canadian Safeway in Calgary and Edmonton and allege that they are operating as a monopoly and operating to the detriment of the public. That particular firm denies that allegation is accurate, and I just wanted to assure the members of the House that we consider it of such moment that we intend to have our various departments watching it closely to see if these allegations can be sustained.

The other comment in the area of food costs is our growing concern with regard to vertical integration of corporate farming. This is a matter which is troubling us and one to which our administration intends to devote a considerable amount of attention.

This moves me, Mr. Speaker, to provincial finance. The public accounts of this province have just been reported on by the Provincial Auditor. They show a marked improvement in the last six months of the last fiscal year -- since the mid-year report of the Provincial Auditor -- both in terms of improved revenues and the fact that the aggregate operating expenditures were reduced in the last six months, from the time we assumed office in September to the end of that fiscal period, even with the inclusion of the \$8.5 million on the PEP program I mentioned earlier. With regard to the current year the Provincial Treasurer (who has had to leave the House on a personal matter; we will hope that it is not too serious) has advised me that there is a substantial reduction in the amount that we will have to borrow during the current year. At the present time we are in the process, through the various departments, of preparing our budget for the next fiscal year.

One item in the financial area is of interest to me. I think it had been alleged on a number of occasions that our administration was somewhat hostile to the Treasury Branches. We denied it on a number of occasions, but the rumours still seem to persist throughout the province for some reason or another. Well, of course, that was not so, and never was so. The hon. members would be very interested in knowing that from March 31, 1970 to March 31, 1971 the deposits in the Treasury Branch went up 8.1 per cent. But from March 31, 1971 to March 31, 1972 they went up 18.7 per cent. That's confidence.

Now in conclusion, Mr. Speaker, I would like to deal briefly with the matter of natural resources policies. There is a need, pretty obviously, for a very complete review. We have an entirely new set of conditions to those we had a few years ago. The changes that have occurred, of course, are dramatic changes. There is an energy gap in the world today which creates considerable pressure on production, facilities, and price. We have also had the recent development with regard to the OPEC countries, and we see the reports (I believe they are meeting today) that the agreement with the major international oil companies and with the OPEC countries to the effect that there would be 51 per cent acquisition of the share ownership by the OPEC countries, was not accepted. They are still negotiating for an even more extensive degree of expropriation. Of course this has some material influence on Alberta in terms of our energy policies, particularly in regard to prices and alternate sources of supply for the markets that we now serve.

In addition to that, of course, we have had the developments, of which the hon. members are aware, in northern Canada and the Arctic, in the activity in regards to discoveries. We are all awaiting the federal regulations (with regard to land) which have been delayed on a number of occasions. Our advice from Mr. Dickie and Mr. Getty is that those regulations will be established by the end of this year. We have a statement by the federal Minister of Energy, Mr. MacDonald, of a federal energy review and new policies in the federal area. Of course we have the matter of the pipeline, the environmental questions of concern and also the route. The hon. Minister of Mines and Minerals, Mr. Dickie, gave an excellent overview of this particular area in the spring Session.

I would like to summarize the steps taken to date in the first phase of our administration. We established a new natural resource revenue plan for crude oil for five years for \$70 million. We established a new exploratory drilling incentive system. We requested a review of gas pricing in Alberta to determine the Alberta public interest. We strengthened the Alberta Gas Trunk Line operation in terms of its original objectives, having regard to new conditions. We amended The Mines and Minerals Act to accelerate the turnover of leases and reservations and other activity in terms of land, and we intend to have further revisions. We established with Syncrude Canada certain conditions, including Alberta participation, and the by-product processing here to the extent practical. To this point, all of this has been done in terms of public announcement.

In process, of course, is the very important reaction of this administration to the field pricing report of gas in Alberta; I believe all hon. members have copies of this document and I commend this particular document to their attention. We intend to present to the fall Session of the legislature our response as a government to this very disturbing -- and I use that word very intentionally -- report. In addition to that we will then have to follow up from that decision to a review of the royalties for gas. We will have to develop our tar sand policy sometime during the middle of 1973.

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Mr. Speaker, we haven't any intention of moving on that policy until we are ready. If there is some slowdown in terms of operation, so be it, because I think it is in the public interest that maybe there is an accelerated degree of production going on right now, and some slight slowdown is in order. We are going to assure that when we deal with that matter, that very important resources of the people of Alberta will deal with it when we are ready when the total matter has been fully considered. So for those who want to push, I give due notice. We do not intend to be push on that particular resource; we do not intend to take ill-considered action. I hope that is the support of the members of this Legislative Assembly.

As far as other natural resource policies are concerned, they are on an on-going stage, not nearly perhaps so critical, although they are very important and that involves the matters of coal and forest products. We are, in terms of our crude oil revenue policy, rather pleased with the public reaction and industry reaction to our announcement at the end of July. There were many dire predictions in the assembly in May of both extremes, that we deliberated long and hard about it. We had full consultations with industry groups. We took into consideration the public representation that were made here, and made a decision which I think is what government is all about. Making the decisions after you got all the facts and after you have given people an opportunity to present their view. There was a considerable amount of pressure on us to provide a ten-year plan. But in my view that view of my colleagues would have been wrong. A ten-year plan with the conditions that are changing so rapidly simply would not be in the best interest of the people of Alberta. There was then continual pressure for eight years, seven years, seven years. We reached the conclusion that it would be a five-year plan. We felt that to be fair to people who are involved in extensive risk investments to be less than five years would not be in the public interest and would affect materially their view in terms of comparison with other areas by way of investments. So we moved to the five years. We did one way or another overcome the difficulty we faced of a maximum royalty rate of 16 2/3 percent by providing the reserve tax of the option of a new royalty rate structure. The royalty rate structure that essentially moves from 16 percent to 21 percent which in a percentage basis jump is well over a third and a pretty good hike. We reached the decision on \$70 million as our target. I would like all hon. members to be aware that that \$70 million of annual incremental revenue does not involve revenue that might come. Additional revenue could come by way of either price increases or production increases. Now the figure can be quarrelled with. Some say it was too high; some say it was too low. In my view, I think it was a pretty fair judgment decision. If we had gone too high I think we could have affected the jobs of the people of Alberta. Jobs that they have been involved in -- I know, because I have travelled through these places in the province and I hear their conversations from Drayton Valley to Valleyview and in many other parts of this province -- jobs right in the heart of the city of Calgary, jobs throughout all of Alberta. If we had gone too low I think we would be involved with giving away an asset that is a depleting asset, and it is only reasonable that this government obtained for the people of Alberta a fair return. Now there was a lot of talk that if we did this we would involve a very reduced degree of activity in the industry. It did not happen. It is not only growing; it has continued to accelerate in Alberta from the day Mr. Dickie rose in this House in late April to present that statement before the legislature. At the moment the latest reports from Oilweek show an interesting comparison in the number of active rigs in Alberta. A year ago today there were 86 and now there are 118. It does not sound like a downward trend.

In terms of well completions, the same report notes that accumulative from 1971 to this date there were 1,353 a year ago; there are now 1842, again a very healthy increase. And in terms of exploratory footage (because it is important to talk not only about the active wells and the number of completions, but also the footage, because a certain argument can be made that there is an extensive degree of drilling in the shallower wells of southeastern Alberta), the drilling has increased; at this particular eight month point, it is up from 2.9 million in 1970, (down to 2.7 million in 1971) and is now 3.4 million. That again, I think, proves out the judgment that was involved then. Sure there are some minor technical improvements that have to be made in the reserves tax, and have to be made in the exploratory drilling program; that is natural. But they are being well handled by the hon. minister, and I think it is clear that that important decision was very effectively made by this administration. That, of course, is the past. We've got production increases of this magnitude: in crude oil a 15 percent increase for '72 over '71; in Alberta there is a 20 percent increase in production over a year ago in crude oil. There are critical implications involved here, and one, of course, is whether or not a fair price is being received at the well heads, because I consider the people of Alberta through their government are partners in this industry, partners in the sense

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that the asset is owned by the people of Alberta, and it is a depleting asset, and therefore as partners we are interested in price.

Now, Mr. Speaker, one allegation has been made with regard to this program, that we should have controls as far as domestic consumption by way of crude oil (as distinguished from natural gas) for gasoline at the pumps. If you do that, Mr. Speaker, you might as well have wage and price control right across the board. If you have that particular control in competitive or apparently competitive situation of retail gasoline, then I suggest to you, you are into wage and price controls across the board. And if you want to make that argument, be prepared to accept the rebuttal that I know the hon. minister, Mr. Dickie can make -- 90 percent of the crude that we produce in this province is production that goes outside the province and only 10 percent is consumed here. When you look at the history of gas prices and well head prices, it is obvious that on a cost benefit basis, a 30 cent increase at the well head is 1 cent at the pump. Well, it is my view -- clearly my view -- that the answer are higher prices and the increase in royalties. And remember, as I mentioned, that \$70 million figure does not involve a question of increased revenue if the prices go up. Now natural gas, of course, is involved in a matter of sales increase of 13%; Alberta is, of course, the basic Canadian supply. Now close observers of this administration have noticed something, that since September 10th, 1971, there has not been one cubic foot of additional gas for export authorized by this government. I'll leave it at that point.

In addition to that there will be a hearing on January 23, 1973 by the Energy Resources Conservation Board with regard to the validity or otherwise of a 30 year domestic requirement for gas supplied to this province. That brings us, of course, to our response to the field pricing report, which as I mentioned will be presented later in this session.

Now in closing, Mr. Speaker, and members of the Legislative Assembly, obviously it is clear that old policies will not do in the natural resource area, that entirely new policies will be required of natural resource development. The opportunities are here to be grasped. We know there can be differences involved in this assembly or among the people of Alberta with regard to magnitude of royalty and to approach. That we seek total public support with regard to new policies in the natural resource area is reflected by our policies in regard to oil royalties. We seek a fair price for the resources we sell to others. We seek to protect our own provincial needs. We're determined to capitalize on our resources and our energy potential to build a stronger, a truly free-enterprise. A cleaner, and a competitive province one for opportunity for our citizens. Thank you.

MR. STROM:

Mr. Speaker, in rising to make a few comments at this time, I would first of all like to clear a couple of matters. It is my understanding that we were to go to 5:00 o'clock and that there would be an adjournment at that time. I am not suggesting that I will need the amount of time from now to 5:00, I just wanted to make sure that I clearly understood what you had in mind. So I won't besiege you with my comments at this time.

First of all, Mr. Speaker, let me say that it is rather interesting to arrive back again in the House after being out for such a short period. It seems like only yesterday that we were last assembled here giving consideration to bills and other matters of business of the House, and I must confess that as far as I am concerned, it does appear just a very short time since we last met.

I certainly welcome the opportunity to make a few comments dealing with certain matters that I believe are of interest to our people, some of them will have some bearing on the statements that our hon. Premier has just made. But by and large, I have no quarrel with the report that he has just given. I would like to say to him that I consider it a very thorough report. I regret that I was not able to sit in for all of it, but I have had some notes handed to me dealing with the matters that you covered. And I want to say, fairly, that I consider it an accurate report of the events that have taken place since we last met. I must say, of course, that this is what I had expected it would be when I reread the motion a week or so ago. I thought it well for me to refresh my memory as to the method that we would use to bring ourselves back into the House at this point in time. So I went back and read the resolution, and after having done that, I conferred with the Speaker just so that I would be totally clear as to the approach that we might use in debating the resolution. And may I say that it is my understanding, Mr. Speaker, that in some respects we are in a similar position to that of debating a Throne Speech. Having said that, may I make it clear, and hasten to say that it is not my intention necessarily to take the same approach as I would if I were covering a Throne Speech debate. I think



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I would be out of order also if I were to try to suggest to the hon. Premier that maybe he and I were the only two that ought to speak on the resolution in the interest of time. He has given his report and maybe I would just say a few words about it. I don't think that is going to happen, so I certainly would be wrong in making that kind of a suggestion at this time. So I had better look around and see if my own fellows are looking askance at me at this point in time too. But, nevertheless, I do think, inasmuch as we are in the same session as previously, we are not really debating a Throne Speech debate, but we are debating the general situation that faces our province at this point in time, and any related subjects thereto.

I would say first, Mr. Speaker, before dealing directly with some of the matters that I would like to cover this afternoon, that I do have a certain measure of concern as to the merits of a fall session. I am not in any way in a position where I feel I can come out with a hard statement as to whether it is necessary or not, but I would simply make some general statements in regard to it. It would seem to me that if our purpose for getting together at this point in time were merely to have a wrap-up of the business that was left over from the spring session, then I couldn't argue that we are justified in coming back here to spend some time at a fall session.

If we were to think of it in terms of reports of committees only, over and above clearing up the old business, I would again have to say that in my view we would be wrong in spending the taxpayers' money for this kind of an exercise, because it is my considered view that this also could be handled during the spring session.

I then come to the point I want to make, which I think is very important, that we look very closely at the kind of fall session we expect to have. It is only fair to say at this time, from the little bit of information that I have been able to gather, that there will be some new business introduced, and I think that this is absolutely necessary. If we were not to do it and make it a meaningful session, then I think there are some questions that we can very well ask as to whether or not we are justified in coming back for a fall session. I have said to the odd one who has questioned me, maybe a bit with tongue in cheek, that if it were simply to come back to earn a greater salary, then I would be opposed to it. As I said, I said it with tongue in cheek because I cannot for a moment think that anybody would feel that that is what we ought to do. But let me say this, that thinking in those terms, I believe it is very important that, as M.L.A.s, we give very careful consideration to what our role should be. I think it is very safe to say that if we lengthen the spring session and add a fall session, there is no doubt in my mind that the length of sessions would continue.

I think our hon. Minister of Agriculture will recognize that from his years in the federal House. There was just sort of a natural evolution of lengthening of the time. It can come about simply by bringing ourselves together and starting to talk.

I say that isn't what we really need to do. I'm sure the hon. minister, who is now smiling, recognizes that maybe every member of parliament has to take some responsibility in that area in that he has found himself moving up for the sake of making himself heard on issues that maybe could have been dealt with by a few less words. So I say that to me, it seems rather important that we should give consideration to the role of an M.L.A. and, in my view, he has as much responsibility to serve his constituency out in the home area as he has to sit in the House, maybe more. He should give very careful attention so that he does not become wrapped up in time spent in the House talking, if I can use the term in the broadest sense of its meaning.

So, Mr. Speaker, as we proceed with the fall session, I have to say that I, for one, will be reviewing very carefully the work that we are going to do and trying to determine in my own mind if we can be truly justified in coming together for a fall session. I suggest that we ought to think very carefully about trying to keep it as short as possible without undue discussion on matters which come before us. I suggest that our position is one of policy makers rather than administrators. We want to be very careful that we deal only in those areas.

Mr. Speaker, as I stand here this afternoon, I cannot help but think that there are two major issues that are facing us at this point in time. I am helped in my conclusion by periodically listening to the campaign which is going on at the present time. They are rather helpful in that they strengthen my belief in that what they are saying and what I am thinking is correct. That is, that the main problem facing Canada today is the problem of inflation and the increase in the cost of welfare. On the one hand we seem to be experiencing a

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very buoyant economy. I was very pleased to hear the hon. Premier today in his report tell us of the tremendous growth which has taken place in the province of Alberta. I agree with him. One of the statements that I found very difficult to understand, though, was his reference to the budget as being tremendously improved in the last six months. I can understand why he would want to say that because that really covers the period of time when he held office. I think he was trying to leave the impression with us that because of a Conservative administration, they were able to improve the financial situation in the last six months.

DR. BUCK:

The next think you'll know, he'll be telling us about the weather.

MR. STROM:

I'm surprised, though, that they would try to put that point across. I do not know of a single year since I came into this House that the budget did not improve in the last six months. I don't know of a single year. If there is anyone who could tell me of when it happened, I would be interested in knowing. Maybe by friend, the hon. Member for Cardston, might be able to inform me on that. Here is the reason, Mr. Speaker. In the first six months the statutory payments are all taken care of and this, of course, creates an expenditure situation in the early six months which certainly puts an apparent strain on the budget. The income does not come in, then, so we have a situation which looks bad.

I can recall two or three exceptions to a report that the hon. Provincial Auditor made one time at the end of a six-month period when he said that our situation was serious because of the situation which existed at the end of six months. At the end of the year, Mr. Speaker, it was improved to the point where it was astounding, astounding in its recovery. But we have the same government as we had for the first six months of that time so I suggest to the hon. Premier that he maybe shouldn't put too much emphasis on the recovery for the last six months.

Coupled with that, Mr. Speaker, is the fact that I rather suspect that the Liberal administration in Ottawa isn't totally naive. I think they recognize some of the things that they had to do because they were going to go into an election. I rather suspect - I notice my friend from Calgary, the hon. Minister of Mines and Minerals, is starting to smile; I guess he had some inside information from the Liberals - that knowing that they were going to go into an election they have done everything they could to strengthen the economy. The phenomena that they are facing at the present time is that they went through a period when they said that in order to take care of the inflationary problem, the things that we have to do are to cut back on credit; cut back on spending. They did a terrific job, to the point where they recognized that the cure was worse than the problem. At that point they decided that they could no longer live with it. I can tell you almost to the day when the Liberal administration decided that they could no longer live with the policies that they had adopted. I say that if you go back and examine it from about two years ago last June, you will find that by policy they decided that they had to expand the economy in order to put a little life back into it. They have been following that policy for the last two years.

I suggest that if we want to examine the situation that we are facing with the buoyant economy we have at the present time, that it does have some relationship to the policies adopted by the federal government. In fact, I have said on occasion that provinces, to quite an extent, cannot do a great deal when it comes to taking care of the problems of inflation, except one thing, and this I would like to commend to the hon. Premier, that they get the ear of the Prime Minister and make known to him some of the concerns that they have in this area. There again, I'm a little concerned, hon. Premier, that at the moment you are not trying to get the ear of the Prime Minister at all; you're trying to get the ear of the man that you hope will be the Prime Minister. I think this is bad. It's bad for the province, because you might have to talk to him again, and I think you ought to keep the relationship as good as you can.

Nevertheless, Mr. Speaker, these are the problems that I see. They are with us just as much as they have been for the last two years.

The problems of inflation are not being solved. Isn't it strange how some of these reports come back to one. About a year and a half ago I made a statement suggesting that maybe we ought to look at price and wage control. I seem to recollect that at that time the hon. Premier who was then the hon. Leader of the Opposition took exception to it, and very strong exception to it.

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He was not alone. Nearly every leader in the country suggested that we were away off base, until, of course, the President of the United States decided that this is what he had to do. Who do we have talking about a suggestion that maybe we ought to put a freeze on the economy right now? I don't have to tell them; I see they are smiling and they know. It's the Leader of the Conservative Party in Canada who is suggesting to the people of Canada that if he is elected he may just give consideration to putting a freeze on the economy.

Mr. Speaker, all I can say is that it takes a little while for the light to sink in, but people are now beginning to recognize that the governments have not come to grips with trying to solve the problems of inflation. My recommendation to the hon. the Premier is that he make this his number one consideration right now and try to ensure that the right policies are followed so that we might do something basic in coming to grips with the increasing food costs that we were talking about today. I agree with you. As I walk through the store it stands out like a sore thumb that the costs are going up. It is astounding, and I ask myself, where is it going to end? I see no end to it. It is of real concern to me.

Coupled with that is this problem of welfare. Again, I think that all of us are agreed on the fact that we are into a situation where it is almost a pressure from government - maybe I'm being a little harsh, and if I am, I'm prepared to withdraw it - for people to take assistance from

There are so many programs that are provided for people today in the area of welfare that I think we have very well established a philosophy among people of, "So why worry; we will take welfare." I know of one person who was not looking for work but was sitting waiting at home for the unemployment cheque to come in order that he could take a holiday. These are the kinds of situations that we are going to be faced with continually.

I suggested yesterday that maybe we ought to give consideration to having fewer social workers and a few more placement officers. I expect that maybe I am going to get a little flak for even suggesting that maybe this ought to be looked at. Mr. Speaker, I am serious. I think we have to take a totally new approach in order to deal with this very, very serious problem. I don't think that it can be suggested for a minute that we can by handouts make people independent. We are, in fact, making them dependent rather than independent and we have to look very carefully at the kind of program that will bring that feeling of independence, standing on their own, willing to do something for themselves.

It is ironic that at a time when we have a low unemployment figure that we still have a high welfare cost. I think that unemployment insurance is creating problems for that the hon. Minister of Labour may very well give that some special attention because I understand that some of the industries going into the far north are finding that people would rather go on unemployment insurance than to go out and take a job.

One man told me not long ago that a certain individual who had worked for him for quite a long time, having a winter job, all of a sudden said: "you know, I don't want to work for you anymore. I'm going to take unemployment insurance." And I suggest that our society is going to suffer as long as we have that kind of a philosophy prevailing. I know that it is an individual decision as to whether or not one wants to work, so let's not set up a situation that provides the incentive not to work. Let us keep the incentive there to do something.

Well, Mr. Speaker, I think that that mainly enough by way of dealing with some of the general problems, general philosophy that I want to express today, except I want to say very seriously to the hon. Premier that these are matters that I recognize cannot be resolved by an individual province. It is a Canadian problem and I admit that. I am not suggesting, by any stretch of the imagination, that it is only an Alberta problem. But it is the kind of problem that will require the closest co-ordination possible between federal and provincial governments.

I do not recall whether or not the Premier has suggested that there will be any meetings in the very near future in federal-provincial relations, but I am sure that they will come as usual, and I suggest that these are two areas that we might give serious consideration to when discussing with his colleagues across Canada and with the Prime Minister, regardless of whom he may be following October 30th.

I was very interested also of course to hear the Premier give his report on the oil royalty situation. I really have no reason to debate the issue with you

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now except that I cannot agree that it is acceptable, as I was led to believe, that you suggested it was. I think it remains to be seen whether or not there are going to be problems in the industry. I do know this, that following the decision made by the government in July, that I was chatting with a certain oil company, and I very candidly asked them, as to the effect of the decision which had just been reached. Because it had been rumoured that this particular company had laid off 30 men in exploration, I found that the rumour was not totally correct, they had not laid off 30 men. But they were laying off 12 men, they were finding jobs for them in other areas so they were not being laid off into the ranks of the unemployed.

I asked this, I said, "Well now, is there any reason to believe that this decision can be attributed to the decision on royalties?" And the reply that I got was this; that they were in the midst of negotiation with their headquarters as to whether or not they were going to continue a certain exploration program within the province of Alberta. After the decision was made, their arguments were totally cut off, and there was no way that they could defend the position that they were negotiating for at that point in time.

All I want to say today, Mr. Speaker, is that we really do not know at this point in time, the impact of the decision. I do not quarrel with the suggestion that it should be increased. I do not quarrel with the suggestion that we look at a different royalty arrangement. I am a little concerned, and maybe in the course of the discussion that we will be having, the hon. Minister of Mines and Minerals will be able to clarify this for me. It is my understanding that the present time, no decision has been reached in regard to the regulations governing the setting up of the mineral tax. And that here we find the oil companies in the position of having to determine whether or not they want to go for a renegotiation of their royalty arrangements or to go on the tax program. And all I say is that they ought to have all of the facts concerning the tax situation, because otherwise there is really no fair means by which they can make that decision. As a matter of fact, I do not believe the new mineral tax act has yet been completed. Now I could be wrong, but again I say these are points that I hope will be brought to our attention.

I believe, if I recall correctly, that the hon. the Premier, suggested that there have been very substantial increases in oil sales, giving a figure in the area of twenty some per cent, which I don't dispute. He made the statement, "Old policies will not do." Again, I won't quarrel with that statement. I simply make this point, Mr. Speaker, and that is, that something over two years ago, we reached a new situation, a totally new situation as far as the sale of oil is concerned.

I can recall discussing this with the Prime Minister of Canada, in trying to give some input to the discussions that they were going to have with the federal government of the United States. And, it was suggested, that inasmuch as we were sitting in a position of uncertainty, that maybe we ought to give consideration to the Dominion of Canada setting a quota of sales. It would then be much easier to make the change as new evidence came in with regard to the prospect of selling. Well,

Well, we now know, we were at that point in time going through a transition period and we were moving from a buyer's market to a seller's market. Well, we in fact, had a much greater control, so let me hasten to assure the Premier that as far as I am concerned, I wholeheartedly subscribe to a philosophy that we now no longer can use the old policies. We require some new ones.

I think it is going to be very important that we determine what these policies are and enunciate them as quickly as possible so that the industry might know what they are facing. I know that the hon. Premier shakes his head, and I'm not sure what he has in mind, whether he thinks it can be held in abeyance for an interim period, and of course, maybe he has more information than I have. All I can say is that we in Alberta have enjoyed a tremendous development in the industry simply because of the stability that we were able to offer through proper government programs that were clearly stated and clearly understood by the industry.

If we are only going to have a five year arrangement I think maybe the industry can live with it. May I just throw this out to the hon. Premier, that really the decisions governing the royalty or the mineral tax, whatever it may be, is not the total picture as far as the industry is concerned. You have sitting on your right a minister dealing another number of very important factor that relates to the industry that will require just as much careful consideration as the selling itself. I suggest that they cannot live in a climate of uncertainty not knowing what may happen in that particular area. There may be other areas that I am not thinking of at the present time that are

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equally important, but all I am saying is that in the interest of our own future it is very important that we provide the kind of information to the industry that will continue to create a healthy development within the province. I don't want to deal with that anymore because I think we may have opportunity to cover that later on.

I am, of course, interested in saying a few words about agriculture today. I think that agriculture is still a very important industry within our province. I do not debate the figures that have been given in regard to the upsurge in economy as far as agriculture is concerned, I would have to say that as farmer I'm not exactly getting the dollars in my pocket, as yet. Maybe they are still coming and I am sort of looking forward to it. Nevertheless, I am sure that we are cognizant of the fact that there are some hopeful signs in the future as far as agriculture is concerned.

He mentioned marketing, pointing out some of the figures relating to the marketing picture of our province and certainly it is much improved from what it was. I would like to say to the hon. Minister of Agriculture that I have noted with a great deal of interest the new increased emphasis that is being placed on marketing within his department. I do not have any quarrel with the general philosophy of a marketing emphasis. I think we demonstrated during our years of office that we, too, were recognizing that this was a phase that we had to move into and do something about. It certainly would be fair to say that we had only made a start.

Let's examine it for just a moment. When we think in terms of marketing agricultural products I think we have to be very careful that government does not move in and take over the role of marketing that rightfully belongs to the commodity groups. Now let me explain what I mean. I can recall hearing the hon. Minister of Agriculture when he sat on this side of the House being a little critical of a help program that we provided for the hog industry. He suggested that we could very well be getting ourselves into trouble favouring one industry over another. I suggest that this is a distinct possibility, therefore I think that the role of government should be to provide assistance to the commodity groups so that they can do something for themselves.

I think we have to be very careful when we are promoting the sale of any particular group. Let us take the meat section; if you think in terms of supporting hogs we could very well find it would be the only production and create a problem as far as the beef industry was concerned. We would be constantly faced with that situation as far as boilers and poultry products are concerned. All I'm saying to the hon. minister is that in giving consideration to the matter of marketing the government emphasis should be on providing help to the commodity groups and beware of building up too large a staff within their own department. I think this can well be handled by providing some dollars to the commodity groups rather than building up too large a staff within the department itself. I'm not sure with the smile the hon. minister gave me whether he is going to suggest to me that he is not building up a staff and that he is, in fact, following the recommendation that I have suggested he follow.

I think there is a danger of too much government involvement. In my discussions that I have had with the commodity group, this is a concern that they have themselves. I think that they would prefer to handle it as much as possible by themselves. Here again, I think that we have to be very careful in building up a department within the province that does, in fact, overlap on its responsibility or its work with the Federal Department of Agriculture. I am sure the hon. minister agrees that it is most important to have the closest co-ordination possible, because I cannot see Alberta becoming the marketer of any particular agricultural commodity for the Dominion of Canada. And if they are doing a good job for Alberta, that is, in fact, what they are going to be, and I suggest that it will require the closest co-operation possible between the federal and the provincial departments of agriculture.

Mr. Speaker, I note that I am running out of time. There are a couple of other subjects that I would like to deal with. I regret that I have taken a little more time than I anticipated. I assure the hon. Premier, I am not trying to compete with him in time, I simply want to try and cover the material that I have. I would like to adjourn the debate, if I may, at this time.

MR. SPEAKER:

I take it the hon. Leader of the Opposition has leave to adjourn the debate.

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HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I move that the House do now adjourn until tomorrow afternoon at 2:30 o'clock.

MR. SPEAKER:

Before putting the motion of the hon. Government House Leader, may I mention that we have adopted some changes with regard to the production of the Hansard. The rough copies, that is the first proof copies, will be available in the Member's Lounge pinned up on boards at both ends of the lounge, rather than sending them out to the extent that we did for spring sittings. I would ask members if we might try that method, and if it doesn't inconvenience them then we can carry on with it, and there will be some saving in cost. I would like to say, also, that the first proof copies are on the board now for those members who would like to see them on their way out.

The hon. Government House Leader has moved that the House do now adjourn until tomorrow afternoon at 2:30 o'clock, seconded by the hon. Minister of Manpower and Labour. Do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until tomorrow afternoon at 2:30 o'clock.

[The House rose at 4:58 p.m.]