

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, March 26, 1973

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

PRAYERS

[Mr. Speaker in the Chair]

PRESENTING PETITIONS

MR. ASHTON:

Mr. Speaker, I beg leave to present the petitions of:

The Society of Industrial Accountants of Alberta for an Act, being The Society of Industrial Accountants of Alberta Act, 1973;

E. J. Bethell, I. F. Csabay, D. H. Hildebrant, Charles Brown, G. D. Meades, J. D. Scott, R. J. Leonard and D. H. Parson for An Act to Incorporate The Certified General Accountants Association of Alberta;

Doug Clark, President of the Institute of Accredited Public Accountants, Alberta Chapter, for An Act to Incorporate the Institute of Accredited Public Accountants of Alberta;

O. Paul Thomas, F. R. Erick Mulder, Dr. Phillip J. Kendal, Andrew C. Gunning, Fredrick J. Hand, and Edward C. Glover for An Act to Incorporate The Grand Chapter of Royal Arch Masons of Alberta;

Ronald Henry Jenkins and Stanley Bradshaw Laing for An Act to amend The Calgary Community Foundation Act;

Canadian Union College for An Act to amend The Canadian Union College Act;

Irene McDougall for An Act to Incorporate The Grand Chapter of Alberta, Order of The Eastern Star;

The Knights of Columbus Club for An Act to amend The Knights of Columbus Club Act;

Sister Gabrielle Fortier, F. J., Sister Pauline Magnan, F. J., and Sister Ellen Martin, F. J., for An Act to Incorporate St. Vincent's Hospital;

Edward E. Bishop, Kenneth A. McKenzie, Thomas Jackson, James E. Redmond and Patrick M. Bentley for An Act to Incorporate Westbank Golf and Country Club;

The Alberta Wheat Pool for An Act to amend The Alberta Wheat Pool Act, 1970;

Ted Breitzkreitz, Marjorie Thompson, Harvey Anthor, Barbara Anthor, Fred Kluin and Nellie Gilbertson for An Act to Incorporate the Fort Assiniboine Agricultural Association;

United Missionary Church for An Act to amend An Act to Incorporate the Mennonite Brethren in Christ Church.

## INTRODUCTION OF VISITORS

MR. D. MILLER:

Mr. Speaker, I wish to introduce to you and through you to the members of this Legislature Mr. and Mrs. Clarence Bowden of Taber and the members of their family. Mr. Bowden has been an employee of the Canadian Sugar Factories of Taber and has been foreman for 29 years. I might say in passing that this beet sugar factory is the largest factory of its kind in the British Commonwealth. I am happy to have them here. They are interested in community life, in culture, and they are active workers in many fields. I ask them to stand and be recognized by the House.

MR. APPLEBY:

Mr. Speaker, it is my special privilege this afternoon to introduce to you and through you to the members of this Assembly some 70 Grade 9 students from Edwin Parr High School in the town of Athabasca, which is also in the frontier constituency of Athabasca. They are accompanied this afternoon by three teachers, Mrs. Corrinne Paradis, Mrs. Helen Hyde, and Mr. Marvin Rogers and two bus drivers, Mr. Wayne Snyder and Mr. Stan Goodwin. They are in both galleries and I would ask them to stand and be recognized by the Assembly.

MR. YOUNG:

Mr. Speaker, it is my privilege this afternoon to introduce to you and through you to the members of the House some 54 Grade 10 students from the Ross Sheppard High School in my constituency. Mr. Speaker, I am sure that the high school draws students from a number of constituencies. I would ask them to stand, with their leader, Mr. Mike Jones, and be recognized by the Assembly.

## FILING RETURNS AND TABLING REPORTS

DR. WARRACK:

Mr. Speaker, I have the honour to submit herewith, four copies of the Annual Report of the Department of Lands and Forests for the Province of Alberta for the fiscal year ending March 31, 1972.

MR. CRAWFORD:

Mr. Speaker, I'd like to table copies of the report of inspection pursuant to The Universities Act, in regard to laboratory animal care and facilities. I got all choked up.

DR. BUCK:

Wait till we get to your Estimates.

MR. SPEAKER:

I'm tabling the Annual Report of the Librarian of the Library of the Legislature.

## ORAL QUESTION PERIOD

Teachers' Strike News Blackout

MR. HENDERSON:

Mr. Speaker, I have a couple of questions, the first of which I'd like to address to the Minister of Labour. I wonder, in view of the public confusion surrounding proceedings on the teachers' strike in southern Alberta, whether the minister is prepared or has already lifted the news blackout he saw fit to impose?

DR. HOHOL:

Mr. Speaker, for the information of the Assembly -- the question is an excellent one -- on March 21 I stated that I had directed the Board of Industrial Relations to impose a news blackout in the dispute. The mediators asked the two parties that they respect this request and the two parties agreed to it. Mr. Speaker, when I arrived in Lethbridge, the principals to both disputes agreed with me and felt that for a short period of time our energies,

our time, and our capacities should be bent solely to the end that we might conclude the agreement.

The parties are now free to go to the news media, as the mediation talks broke down last night, Mr. Speaker, and the mediators released the parties from their commitment.

It is not uncommon for mediators to ask for a curtailment of public statements by the parties to a dispute. Their authority to ask for this is simple in the sense that it is earned by the authority, such as the chairman of the Board of Industrial Relations or a minister of the Crown. The parties also recognize that it makes good sense in terms of crucial and long-term negotiations.

Mediation talks, Mr. Speaker, began prior to the strike and the mediation staff spent many hours in an effort to assist the parties to reach a settlement of their differences.

Mediation was again started following the strike, and while some progress was made and the parties have moved toward a settlement, the progress was not sufficient to, in fact, effect a settlement at this time.

Mediation talks broke off last night, and the mediators are returning to Edmonton for consultation before renewing their efforts.

MR. HENDERSON:

Supplementary, Mr. Speaker. In light of the minister's decision to lift the news blackout, what is different now about the question of blackout as opposed to when it was invoked?

DR. HORNER:

Well, it's really obvious.

DR. HOHOL:

The difference is simply this, Mr. Speaker, that someone has to make a value judgment.

As a matter of fact, the interests of a collective agreement at that particular point is the overriding objective and it can best be reached if the three parties -- in this case the mediation people as well as the disputants in the collective bargaining -- are able to spend all their time on this proposition of negotiations. That judgment was made last Wednesday and concurred in by both parties to the dispute.

As the negotiations progressed and it became clear at the very end that no conclusion could be reached, the main function of the mediation at that point was ended in the sense that for awhile there would be a cessation of intense, around-the-clock collective bargaining. That point was reached last night and the ban was lifted. That is the main difference.

MR. HENDERSON:

Mr. Speaker, one further supplemental. On the basis of that statement, is it the government's intention to re-invoke the blackout once bargaining recommences?

DR. HOHOL:

That, of course, Mr. Speaker, is hypothetical but -- let me say this. I know that many people in the Assembly have done collective bargaining. Sometimes the public interest which the media reflects and is concerned with, as we are, is served best if a spokesman for one side or another, or a mediator, is not taken away at a very crucial moment. It could be at that time that his presence and his point of view, his attitude, his capacity to understand a movement forward or sideways or some direction to an effective conclusion -- that moment may escape if he is on the telephone or in an interview.

Second, my personal experience, and the experience of many of us, is that there comes a time -- and it is usually during a strike period -- that the feelings involved are such that the negotiators tend to find it easier to negotiate through the media, to make their statements to the media and invite response. This tends to heighten the intensity of feeling and moves away from a rational, logical approach to the conclusion of an agreement.

I agree with the implication, if that is the implication, that news blackouts should not be a regular feature of collective bargaining, but I remind Mr. Speaker and the hon. members of the Assembly that this particular dispute began with negotiations back in May of 1972.

MR. TAYLOR:

Supplementary, Mr. Speaker. Did all media honour the blackout?

DR. HOHOL:

Well, this is a subjective judgment, but I believe it did. The reports in the newspapers covering the negotiations, as I read them in Lethbridge on Wednesday, Thursday, Friday and since then, were discussions of statements made by both sides and by our mediation people preceding the request for a news blackout.

MR. MANDEVILLE:

Mr. Speaker, a supplementary to the hon. Minister of Education. In light of the length of the strike and the comments we have just heard from the hon. Minister of Manpower and Labour, would you consider making correspondence courses available to high school students in the strike area?

MR. HYNDMAN:

As I mentioned before, I think Mr. Speaker, the regulations were changed some months ago to provide that correspondence courses are not available during the duration of the strike.

MR. STROM:

Mr. Speaker, a supplementary question to the hon. Minister of Manpower and Labour. He mentioned the mediation board was coming back for further instructions. I am wondering if he could give us any indication as to when the two sides might be brought together again for further negotiations?

DR. HOHOL:

Mr. Speaker, an excellent question and again this is one that has to be played, if I can use the expression, 'by ear'. I think you can ask the parties to resume talks too soon or too late. Timing in collective bargaining is extremely important. The negotiators for the teachers and the trustees -- as have the mediators -- returned to their principals and they are checking with their representatives.

The Southern Alberta School Authorities Association comprises 18 school districts. Each one of these districts has a director, 18 of them comprised of a board of directors with one man as chairman and this chairman has a negotiating committee of four people. These five people are also returning to their board of directors as they did two weeks ago to get new instructions or a confirmation of their present position. The teachers are doing the same. In fact, in saying this I should point out that the principals in the dispute are remaining in Lethbridge and their directors and advisors are travelling to Lethbridge to get their instructions there. Because the House is in session, the mediation staff is returning to Edmonton and I will be meeting with them later tonight and tomorrow.

MR. NOTLEY:

Mr. Speaker, a supplementary. Could the hon. Minister of Manpower and Labour advise the House whether it is true that several of the districts within the Southern Alberta School Authorities have in fact laid off their support personnel such as school bus drivers and custodial personnel?

DR. HOHOL:

Mr. Speaker, I don't know this directly but from reports in the newspapers the answer is in two parts. First, my understanding is that some school districts are maintaining payment of --

MR. SPEAKER:

We have covered this subject at considerable length. The scope of it has gone substantially beyond what is intended by the rules for the question period. We have almost had a mini-debate on this subject. We have one more

supplementary from the hon. Member for Little Bow and perhaps we could then proceed to another topic.

MR. R. SPEAKER:

Mr. Speaker, my question is to the Minister of Education. Is the minister planning any measures for the students affected by the strike?

MR. HYNDMAN:

Mr. Speaker, I don't follow what the hon. gentleman is getting at.

MR. R. SPEAKER:

Mr. Speaker, I am referring particularly to the Grade 12 students at this time. Is he or his department planning any measures? One of the suggestions was correspondence courses. Are there any measures other than that which could be provided or suggested to the students at this time by the department?

MR. HYNDMAN:

I wouldn't think at the provincial level, Mr. Speaker. This is essentially a local problem, a local dispute and so we wouldn't at the provincial level be taking any new steps.

Athabasca Tar Sands

MR. HENDERSON:

Mr. Speaker, I wonder if I might address a question to the Minister of Mines and Minerals. I wonder if the Minister of Mines and Minerals could advise the House as to whether Syncrude has notified the government relative to its intentions as to whether or not it is going to proceed with the tar sands development project?

MR. DICKIE:

No, Mr. Speaker, they haven't notified us officially at this time. As the hon. members will recall it was a condition of the permit that the time set was August 31, and we expect that the decision will be around that time.

MR. HENDERSON:

Do I gather then, Mr. Speaker, that there has not been a request for an extension on that August 31 deadline?

MR. DICKIE:

There has been no official request for an extension of the August 31 deadline.

MR. HENDERSON:

Mr. Speaker, I wonder whether the minister could advise the House as to whether Syncrude has agreed to meet the stipulation calling for purchase of shares by Alberta citizens in the project?

MR. DICKIE:

Mr. Speaker, that condition deals with public participation. That is under discussion at the present time.

MR. HENDERSON:

Mr. Speaker, has the matter of the environmental problems in a basic sense been resolved relative to the proposed project of Syncrude or is this still under investigation?

MR. DICKIE:

Perhaps my colleague the Minister of the Environment would like to answer that. In his absence I think there have been discussions going on but I think if you could defer that question until he returns he could perhaps give you a more adequate answer.

MR. SPEAKER:

The hon. Member for Tater-Warner followed by the hon. Member for Sedgewick-Coronation.

Hearing Aids

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the hon. Minister of Health and Social Development. Would the minister tell the House if he has any plans for considering some relief to senior citizens with respect to hearing aid equipment? It just seems ridiculous -- between the price or the real value or a reasonable profit -- to what they are taking.

MR. CRAWFORD:

Mr. Speaker, this is another one of those issues, of which there are so many, upon which there are two sides. The hearing aid industry has been serviced certainly in Alberta and in many parts of North America no doubt, primarily in the private sector over the period of time that it has been an active industry. The involvement of the Government of Alberta in it in the sense of being a provider of hearing aids, has not been overly significant. Some testing is done for handicapped people at the Glenrose Hospital as to the adequacy of various types of aids, and that type of advice is given. Of course people who are on assistance do have the aids provided for them if that is required.

The side of it that is in the public view most of the time when price is being discussed is whether or not it is appropriate for the market to continue to be served by private dealers. We have taken the view that a certain amount of careful and patient regard for the difficulty of that issue is appropriate in this sense. The hearing aid dealers themselves do advocate and represent that they are doing their best to upgrade the quality of their service and the quality of the type of product they provide to meet many of the complaints there are in regard to shabby selling practices in some instances on the part of some dealers, and on the question of price.

So far the government, although it has taken an interest in the problem, has not seen that it was a final answer to go into the business on its own as has been the case in some of the other provinces. It's still our hope that when it is finally resolved it will be possible to do so with a minimum of government involvement.

However, given a minimum amount of government involvement, that situation could only be if a general rise in the degree of satisfaction of mainly senior citizens, but others who require hearing aids, is also experienced.

MR. HENDERSON:

A supplementary, Mr. Speaker, just for clarification. I gather that the government is not considering going directly into the business of sales and service of hearing aids as it relates to recipients of social assistance?

MR. CRAWFORD:

That is correct, Mr. Speaker.

DR. PAPROSKI:

A supplementary, Mr. Speaker. Is it true, Mr. Minister, that you feel at this point in time that the hearing aid dealers have, in fact, provided a satisfactory service with those few exceptions?

MR. CRAWFORD:

I think, Mr. Speaker, that the desire to improve the services is there; the need to improve them further is there; I think they know that, we know it and the public knows it, and it's a process that is still going on. I think it would be hard under the circumstances to do anything other than say that the dealers themselves are doing their best to keep the number of members of their group providing unsatisfactory service to a minimum and are trying to raise standards.

MR. D. MILLER:

One supplementary, Mr. Speaker. Does the minister feel in just comparing the two -- from a minute instrument like a hearing aid and comparing it with a stereo set, and the values are almost equal -- would you say that they overcharge?

MR. CRAWFORD:

Mr. Speaker, I don't mind going into things like that. I'll give the hon. member the full benefit of all the knowledge I have on this subject and tell him that I just don't know.

MR. HO LEM:

A supplementary, Mr. Speaker. My supplemental question to the minister is: will the minister consider, on an experimental basis, supplying hearing aids to those ministers who find it difficult to hear questions?

MR. SPEAKER:

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

#### Tractor Operator Fatalities

MR. SORENSON:

Mr. Speaker, my question is to the Minister of Agriculture. It concerns the ever-increasing number of tractor operator fatalities. There was another one Friday last. What studies have been undertaken by the government regarding the placing of protective devices on tractors?

DR. HORNER:

Mr. Speaker, I can't give the hon. gentleman the names of all the studies that have been done with regard to farm safety although my department and the agricultural engineering section is involved in the farm safety program with the Safety Council of Alberta. One of the things which I hope the new Farm Machinery Appeal Board will have a look at is the question of the provision of roll bars and other protective devices with regard to tractor operation.

The other matter that is of some concern is the question of the age limits with regard to people who are driving tractors because, in my view, in the past too many accidents have occurred with young people driving who didn't have the necessary experience.

MR. SPEAKER:

The hon. Member for Calgary McCall followed by the hon. Member for Olds-Didsbury.

#### Mortgage Interest Rates

MR. HO LEM:

Mr. Speaker, I would like to direct a question to the hon. the Attorney General. Is the investigation of the operations of Midtown Mortgage Company of Calgary, and other Alberta lending institutions, under The Unconscionable Transactions Act regarding high interest rates being pursued actively at the present time?

MR. LEITCH:

Mr. Speaker, the hon. gentleman is not quite correct when he is saying there is an investigation. What has occurred is that this has been brought to our attention and we have been reviewing it. I should call to the hon. gentleman's attention that proceedings under The Unconscionable Transactions Act are taken by the parties to the contract and not by the government.

MR. HO LEM:

A supplementary, Mr. Speaker. Have you received any reports from the chairman or any members of the Debtors' Assistance Board recommending that you look into the operations of Midtown?

MR. LEITCH:

Mr. Speaker, not that I can recall. I should draw the hon. member's attention of course to the comments made in this House by the hon. Member for Calgary Buffalo with respect to interest charges when we took part in the debate on the Budget.

MR. HO LEM:

A supplementary, Mr. Speaker. Is your department looking into the actions of Stratford Estates Limited, Mid-City Acceptance Corporation, or Safeco Mortgage and Loan Company regarding their interrelationship with one another?

MR. LEITCH:

Not that I am aware of, Mr. Speaker.

MR. HO LEM:

Does your department consider the large percentage of foreclosures brought against Midtown customers unusually high when you consider that there are 16 to 19 cases before the courts?

MR. SPEAKER:

Order please. This is a matter of question of opinion, probably private opinion. It can't be a question of government policy. These foreclosures are undoubtedly matters that are before the courts.

MR. HO LEM:

One more supplementary, Mr. Speaker. Will legislation under The Mortgage Brokers Regulation Act, placing a ceiling on interest rates in regard to mortgages or any other type of lending, be enacted in Alberta?

MR. LEITCH:

Mr. Speaker, this matter has been raised a number of times in the House and surely by now the hon. gentleman should be aware that the interest rates are within the jurisdiction of the federal government.

MR. SPEAKER:

The hon. Member for Olds-Didsbury, followed by the hon. Member for Spirit River-Fairview.

Craig Case

MR. CLARK:

Mr. Speaker, my question is to the hon. the Attorney General. I would like to ask the Attorney General -- in light of the statements made by the federal cabinet minister when he was in Edmonton over the weekend, that the matters raised in the report done by the Alberta Human Rights and Civil Liberties Association dealing with what is commonly referred to as the 'Craig case,' that these matters are surely a provincial responsibility -- is the Attorney General now in a position to indicate that the government is prepared to go ahead with a judicial inquiry into the operation of the lower courts in the province?

MR. LEITCH:

Mr. Speaker, from what I read of that incident, the remarks of the federal cabinet minister were based on a statement which was quoted to him and which I certainly didn't make at any time.

I never at any time said -- I should put it this way, Mr. Speaker: the comment I made in that area, some time ago, was to the effect that the criminal procedure was a matter within federal jurisdiction, but I certainly didn't make the comment that was referred to in the newspaper.

MR. CLARK:

A supplementary question to the Attorney General, Mr. Speaker. In dealing with this question I am quoting from Hansard. When asked this question the Attorney General said, and I quote, "...in part, at least that part dealing with



the criminal procedure, [is] a matter ...wholly within the federal jurisdiction." Is the Attorney General still of that opinion today?

MR. LEITCH:

Yes, Mr. Speaker.

MR. SPEAKER:

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

Federal-Provincial Energy Discussions

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to either the hon. Minister of Federal and Intergovernmental Affairs, or the hon. Minister of Mines and Minerals.

By way of explanation, it's my understanding that both hon. gentlemen were in Ottawa on Friday, and that on Thursday, Mr. McKeough testified before the House Committee on Resources. My question to either of the hon. gentlemen is, have you had discussions with Energy Minister MacDonald in the light of Mr. McKeough's testimony?

MR. GETTY:

Mr. Speaker, the meeting with Mr. MacDonald was on a whole variety of energy matters and was not related to the testimony of Mr. McKeough before the resource committee of the House of Commons.

MR. NOTLEY:

A supplementary question, Mr. Speaker. Can the hon. minister advise whether there has been any change in the attitude of the federal government as a result of Mr. McKeough's testimony on Thursday?

MR. GETTY:

Mr. Speaker, the hon. member will have to be more particular as to which attitude of the federal government may have changed.

MR. NOTLEY:

I'm referring, Mr. Speaker, to the question of their attitude vis a vis the increased price of natural gas. They seem to be siding with Alberta as opposed to the Ontario proposition. I'm wondering whether or not Mr. McKeough's testimony had any impact on the federal government.

MR. GETTY:

In that regard, no appreciable interest that I could determine, Mr. Speaker.

MR. NOTLEY:

A supplementary question, Mr. Speaker, to either one of the hon. ministers. During your visit to Ontario did you have an opportunity to meet with Ontario officials with respect to the general question of energy resources?

MR. GETTY:

Mr. Speaker, I'm not sure if he means on Friday just past?

MR. NOTLEY:

During your visit to Ontario.

MR. GETTY:

Mr. Speaker, no. The meeting was with the federal government and did not involve any provincial meetings.

MR. NOTLEY:

One final supplementary question, Mr. Speaker. Does the Alberta government, either the Premier or any other cabinet minister, intend to formally testify before the House Resources Committee?

MR. GETTY:

Not at this time, Mr. Speaker.

MR. SPEAKER:

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

Alberta Resources Railway

MR. DIXON:

Mr. Speaker, I'd like to direct my question today to the hon. Minister of Industry and Commerce. Last week in the Legislature, the hon. minister informed the members that an offer had been made to purchase the Alberta Resources Railway by Canadian National and Northern Alberta Railways. Since the rail companies are denying that an offer was made, my question to the hon. minister is, how did the minister arrive at the decision to inform the Legislature that offers were actually made?

MR. PEACOCK:

Well, Mr. Speaker, I don't think the Canadian National denied stating that an offer was made. To the best of my information, I think I related at that time that we had considered litigation, negotiation and sale. In the area of sale we might have enlarged on our remarks in stating that there was another alternative; it was the abandonment between Grande Cache and Grande Prairie. At that juncture we had discussed what interest and value it would be to the NAR and I think I pointed out that the CPR would have no interest. But the NAR, being a 50 per cent owner between the Canadian National and Canadian Pacific, would conceivably have some interest in that area between the Procter and Gamble and the Grande Prairie part of the road which is a very short distance. And the best we would look at from my understanding was \$2 to \$3 million.

MR. DIXON:

Well, do I get then, Mr. Speaker, for clarification, that no offer has actually been made by any railway company for the purchase of ARR?

MR. PEACOCK:

Well, Mr. Speaker, as I inferred there is negotiation and conversation on them. As far as a written offer is concerned, certainly not a written offer, but certainly there were negotiations in these areas. It was my understanding the price of the NAR was \$2 million to \$3 million, and the price of the CNR is what I stated in this House.

MR. SPEAKER:

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

Century Calgary

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Culture, Youth and Recreation. Has the provincial government endorsed the goal of Century Calgary to have the postal officials issue a 1975 centennial postage stamp honouring Calgary?

MR. SCHMID:

Mr. Speaker, I am aware of the negotiations that are going on and the Minister of Federal and Intergovernmental Affairs and my department are presently trying to find out if we are able to support this goal. I understand up to now it has been only a capital city which was supported by Ottawa in issuing a stamp for commemoration of one celebration or another.

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. Minister of Federal and Intergovernmental Affairs. Has the provincial government, in fact, written the Postmaster-General of Canada requesting approval of a commemorative centennial postage stamp for Calgary?

MR. GETTY:

Mr. Speaker, as I recall that correspondence requesting some assistance from the federal government has only been brought to my attention this morning and we are looking into seeing the most effective way of supporting the Calgary request.

MR. SPEAKER:

The hon. Member for Calgary McKnight, followed by the hon. Member for Clover Bar.

Gargoyles on Calgary Greyhound Building

MR. LEE:

I've a question for the Minister of Telephones and Utilities. Due to the interest of many citizens in the Calgary area, and since the new AGT building will be constructed on the site left by the demolition of the Greyhound building, has your office made any decision yet as to the disposition of the gargoyle sculptures on the Greyhound building?

MR. FARRAN:

Mr. Speaker, there were 16 gargoyles. They were incidentally salvaged from the Greyhound building at some cost and, in fact, were caricatures of former employees of The Calgary Herald.

As a former employee of The Herald I don't intend to pose for a replica.

Of the 16, Mr. Speaker, six will be incorporated into the new AGT building, one has been offered to His Honour the Lieutenant Governor, and three have been sold for the salvage price to the University of Calgary. The others are being assessed on a priority basis by the PR department of AGT and, in fact, there is a longer list of requests than there are remaining gargoyles. They apparently have some value. They are appraised at a cost of \$1,200 each. The sculptor was a famous sculptor of Doulton China in the old country.

Direct Distance Dialing

While I am on my feet, Mr. Speaker, could I answer a question that was put by the hon. Member for Taber-Warner last week which I was unable to answer.

SOME HON. MEMBERS:

Agreed.

MR. FARRAN:

When the hon. Member for Medicine Hat-Redcliff asked me about direct distance dialing, the hon. Member for Taber-Warner put a supplementary asking if there were any timing for direct distance dialing in the Taber area. Well, I am happy to tell him that Taber has enjoyed the benefits of direct distance dialing since 1963, and I can't claim any credit for the dispatch with which this was done.

MR. SPEAKER:

The hon. --

MR. D. MILLER:

Mr. Speaker, can I just -- I am not satisfied with the answer. Could I just pursue it a little farther?

MR. SPEAKER:

If the hon. member wishes to elaborate on his announcement of dissatisfaction, that would hardly be in order. But if he wishes to ask a supplementary, that is different.

MR. D. MILLER:

A supplementary then, Mr. Speaker, to the hon. Minister of Telephones and Utilities. An application has been made to extend the services to include other areas within such towns as Wrentham, Vauxhall, Hays, and Enchant and the hon. Mr. Werry was to give me an answer to that. I was wondering if you would pursue it further and answer that question?

MR. FARRAN:

Well, Mr. Speaker, that wasn't the original question. The original question referred to Taber. However, I think the hon. member is confusing extended area telephone service on which an announcement will be made in the House during this session as contained in the Speech from the Throne. He is confusing that, I think, with direct distance dialing.

#### Care of Handicapped

DR. BUCK:

Mr. Speaker, I would like to ask a question of the hon. Minister of Health and Social Development. This relates to people who are quadraplegics or advanced multiple sclerosis cases who do not want to go into a nursing home. Is your department contemplating assisting these families in any way, in lieu of them going into nursing homes, keeping them in their home?

MR. CRAWFORD:

Mr. Speaker, at the present time I believe some quadraplegics do manage, with private arrangements, to continue to live at home rather than go to nursing homes, although the nursing home is a common place for the quadraplegic to be. The government's programs, overall, are dedicated to having the handicapped person, whatever nature of handicap he may have, as self-sufficient as can be and as least institutionalized as can be. I think the necessary policies must progress over a period of time and can't all be implemented at once, but it is one of the priorities for consideration by the division of services for the handicapped in the department.

MR. SPEAKER:

The hon. Member for Drumheller, followed by the hon. Member for Wainwright.

#### Tax Exemptions for Automobiles

MR. TAYLOR:

Thank you, Mr. Speaker. I'd like to address a question to the hon. Attorney General. Does the hon. Attorney General plan to introduce an amendment to The Exemptions Act this year to provide an exemption for the automobile of a person who requires that car to get to and from his place of employment?

MR. LEITCH:

No, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Wainwright, followed by the hon. Member for Hanna-Oyen.

#### Food Prices

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Agriculture and it refers to the submission of the Government of Alberta to the federal government's special committee on food prices, tabled in the Legislature last week. On the last page of the brief is the heading, 'Purchasing Power Grows.' I think the minister is familiar with it. Reference is made to what an hour's pay would buy and will buy today, and I take the date of the submission to be about March 23. The table shows the years 1951, 1961 and 1971 comparatively. Would the number of

pounds of pork rib chops listed there, that can be bought at the date of the submission of the Government of Alberta, be the same as the one shown on the table for 1971?

DR. HORNER:

Mr. Speaker, I'll check on the details to make sure we are correct there. I might point out, Mr. Speaker, to the House, that the brief was considered to be one of the best the committee has heard so far.

MR. RUSTE:

A supplementary question to the minister. I wasn't questioning that, I was just asking a question. My supplementary question is, is it right, in my understanding, that the average price at the time of the submission now, as of March this year, is almost twice what it was for the average in 1971?

DR. HORNER:

Again, Mr. Speaker, I'll check the details, but in drawing up the brief the average prices were used in relation to a period over a year. That may be what is bothering the hon. gentleman. The question, of course, still remains -- and the point we were trying to make in the brief was simply this, that the percentage of the average workman's wages that go toward the buying of food is still less than it was ten years ago, by a substantial percentage.

MR. BUCKWELL:

Mr. Speaker, a supplementary. Would the hon. minister give copies of this brief to the members of the Assembly?

DR. HORNER:

Mr. Speaker, I tabled four copies. I'll try to get additional copies for my hon. friend.

MR. WILSON:

Supplementary, Mr. Speaker, to the hon. Minister of Manpower and Labour. Do you plan any kind of wage guidelines or controls for food production in Alberta?

DR. HOHOL:

This is not a consideration of the government, Mr. Speaker.

MR. SPEAKER:

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

#### Land Assessment

MR. FRENCH:

Mr. Speaker, my question is to the hon. Minister of Municipal Affairs. I asked the minister a question on February 20 with respect to the ratio of assessment between arable land and grazing land, and at that time I was told the matter would be dealt with over the next few months. My question today is, has the matter now been dealt with?

MR. RUSSELL:

No, Mr. Speaker, that matter is specifically referred to in the task force on Provincial-Municipal Financing. We have always indicated that as soon as we get this initial budgeting session for the municipalities and the province out of the way, specifically dealing with property tax reduction, we intend to work with the municipal governments on the other items we received in the report, and that is one of them.

MR. FRENCH:

Supplementary question, Mr. Speaker. Does the minister feel it could be another six months before we get an answer on that?

MR. RUSSELL:

Yes, that is quite possible, Mr. Speaker.

MR. FRENCH:

My last supplementary question. So in the meantime the ratio is 1 to 3.2?  
3.2.

MR. RUSSELL:

Yes, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Calgary McCall, followed by the hon. Member for Olds-Didsbury.

Filling for Natural Gas

MR. HO LEM:

Mr. Speaker, may I ask a question of the hon. Minister responsible for Telephones and Utilities. Will the postage stamp system of billing for natural gas be considered for all Albertans, particularly as it relates to the possible equalization of gas rates for rural consumers?

MR. FARRAN:

Mr. Speaker, I think I said in the House just a few days ago that it won't be long before we table a position paper on the question of rural gas. But I think it is also fairly clear to everyone that cross-subsidization or equalization or postage stamp rates in the manner of Alberta Government Telephones broad utility base is no longer possible for gas.

The system has been to make limited franchise areas stand on their own feet. This has been the system, unfortunately, since as early as 1923; and it is no longer possible to spread the rates between town and country in the manner in which you propose.

MR. HO LEM:

Supplementary, Mr. Speaker. Do you intend studying the method used and adopted by the British Columbia Government, where presently the postage stamp system is operative in that province?

MR. FARRAN:

Well, I think you have to go back to the historic background of franchise areas. I'm afraid I have to give it as my opinion that you can't have a uniform rate across Alberta as conditions are at present.

MR. SPEAKER:

The hon. Member for Olds-Didsbury, followed by the hon. Member for Little Bow.

Craig Case (Cont.)

MR. CLARK:

Mr. Speaker, I would like to direct my question to the Attorney General. It is the second portion of the question I asked you earlier that the Attorney General didn't answer and that is, does the government at this time plan to go ahead with a judicial inquiry into the matters raised by the Alberta Human Rights and Civil Liberties Association dealing with the question of the operation of the lower courts in the province?

MR. LEITCH:

No, Mr. Speaker.

MR. SPEAKER:

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

Canada Pension Plan

MR. R. SPEAKER:

Mr. Speaker, my question is to the Provincial Treasurer. Last week I asked a question to the Premier with regard to amendments to the Canada Pension Plan. He referred the question to you, Mr. Provincial Treasurer, with regard to an exclusion which would permit groups to opt out of the Canada Pension Plan. It is an amendment that the federal government is proposing. I was wondering if the Provincial Treasurer has information on that?

MR. MINIELY:

Mr. Speaker, I haven't had a chance to consider that matter as yet. I hope to, possibly before this week is out.

MR. SPEAKER:

The hon. Member for Calgary Millican, followed by the hon. Member for Stony Plain.

Renters' Rebate

MR. DIXON:

Mr. Speaker, my question is to the hon. Minister of Municipal Affairs, following some inquiries I have had from constituents regarding the proposed renters' rebate. It is from people who are not making up income tax forms, like senior citizens, those on fixed incomes, early retirement people. I wondered what the government had in mind to take care of those people who do not make up an income tax form.

MR. RUSSELL:

Mr. Speaker, the whole idea of the renter rebate is that it works on an income tax credit system. In that regard the hon. Provincial Treasurer is still attempting to work out the final administrative details with the federal government, bearing in mind what the present arrangements are in the Provinces of Ontario and Manitoba.

If we are not able to satisfactorily proceed that way, it will be proceeded with on the basis of a provincial income tax credit scheme alone, without the involvement of the federal government. In that regard we are very cognizant of the special problems of the kinds of persons the hon. member referred to. I expect very shortly to be able to make an announcement dealing with at least one of those groups.

MR. SPEAKER:

The hon. Member for Stony Plain, followed by the hon. Member for Calgary McCall.

Fishing on Lake Wabamun

MR. PURDY:

Mr. Speaker, I have a question for the hon. Minister of Lands and Forests. With your permission I need a sentence or two to acquaint you with the problem. Commercial fishing started this morning on Lake Wabamun and as most members are aware, part of the lake is open now. The question is, will the fishermen be allowed to set their nets in the open water or will they be restricted to the area of the lake covered with ice?

DR. WARRACK:

Mr. Speaker, Lake Wabamun is classified as a winter fishery and that being the case they will only be able to fish through the ice, not in the open water.

MR. SPEAKER:

The hon. Member for Calgary McCall.

Meeting with Calgary Action Group

MR. HO LEM:

Mr. Speaker, I have a question for the hon. Minister Responsible for Consumer Affairs. On Friday last, there was a meeting arranged between you and members of the Calgary Action Group at 8:30 at the Bowlen Building. Why were you not able to attend after arrangements had been made?

MR. DOWLING:

Yes, Mr. Speaker. I did receive a telegram and a telephone call from the consumers' group in Calgary inviting me to attend their meeting. We 'diarized' the meeting as being next Friday at which time I intend to meet with them. There was some confusion in Calgary and the people showed up last Friday and, of course, I wasn't there. However I will be there next Friday and I hope they are there.

MR. HO LEM:

They will be.

ORDERS OF THE DAY

## MINISTERIAL ANNOUNCEMENT

Elevator Constructors' Strike

DR. HOHOL:

Mr. Speaker, I should like to make a ministerial announcement with respect to the national elevator strike. The elevator strike began between the International Union of Elevator Constructors, Local 130 of Calgary, and Local 122, Edmonton and the employers, represented by the Canadian Electrical Manufacturer's Association, Elevator Division, on or about October 5, 1972.

Today the Lieutenant Governor in Council, having been advised by me that the continuation of the strike has resulted in extreme privation or human suffering caused by the delay in completion and utilization of construction projects such as hospitals, hotels, apartment buildings, university and commercial developments, the Lieutenant Governor is of the opinion that a state of emergency exists in Alberta in such circumstances that extreme privation or human suffering has been caused by the stoppages of work over an extended period of time.

Accordingly, a proclamation is today being issued and will declare that on and after March 28, 1973, all further actions and procedures in the labour dispute between the parties are to be replaced by the emergency procedures under Section 106 of The Alberta Labour Act.

[Mr. Speaker left the Chair.]

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COMMITTEE OF SUPPLY

[Mr. Diachuk in the Chair.]

MR. CHAIRMAN:

The committee of the Assembly will now come to order.

MR. COOKSON:

...[Inaudible]...vote 18, Expenditures of the Department of Lands and Forests begs to report the same. I therefore move, seconded by the Minister of Lands and Forests, that a sum not exceeding \$30,037,700 be granted to Her Majesty for the year ending March 31, 1974 for the Department of Lands and Forests.



SOME HON. MEMBERS:

Agreed.

MR. FRENCH:

Mr. Chairman, Friday last I asked a question of the Minister of Lands and Forests with respect to the matter of forage value. I was very grateful to receive the answer, although I am not so grateful with the information I received.

The information I received was that the forage value in the south has been increased from 5 per cent to 7 1/2 per cent, and from 4 1/6 per cent to 6 1/4 in the central part of the province, and from 2 1/2 per cent to 3 per cent in the north. Now I think it's quite simple, Mr. Chairman, that this represents an increase of 50 per cent in the south, and an increase of 50 per cent in the central part of the province and 20 per cent in the north.

Now when I first had this statement I recall the Provincial Treasurer in his Budget Address of March 2, 1973, and I quote from page 17:

No Tax Increases: I am pleased to say that as a result of our energy policies, revenue growth due to buoyant economic expansion, and a responsible level of expenditure, this Budget does not propose any tax increases.

It goes on to say:

Our Government has directly reduced the tax burden for Albertans through the Alberta Property Tax Reduction Plan without increasing provincial income taxes! In fact, provincial personal income taxes will be reduced as a result of the increased personal exemptions announced in the federal budget, and I am pleased that we are able to pass the full benefit of this on to Alberta citizens.

Now, Mr. Chairman, I don't know what could have happened between March 2 and the time that the Order-in-Council was passed on March 13. I have a copy of the Order-in-Council, it is Order-in-Council No. 385-73, and without reading the Order-in-Council it just simply says that the rates for forage values will be increased as indicated in my opening remarks.

Then I was interested in the observations of the hon. Provincial Treasurer and I refer to page 32 of the Budget Speech and I refer to the Details of Other Income Account with respect to land and grazing.

I note in the Budget Speech of March 2, 1973 that the anticipated revenue from land and grazing is \$2,600,000. Last year the forecast was somewhere in the neighbourhood of \$3 million. As we all know, with respect to the forage values, these are directly responsible for the rate of rental that is paid through the royalty, it's based on a formula. We are also aware of the fact that beef is up somewhere around three or four cents from last year to this year. I am not quarreling with the information except that on March 2 the Provincial Treasurer brought in his budget, and some few days later we now have this Order-in-Council dated March 13 whereby the royalty has been increased in the south by 50 per cent, increased in the central part by 50 per cent, and 20 per cent in the north.

I say it's hardly consistent with the thought projected all the way through the Budget Speech when a few days later this is the position we are in.

I don't know what could have happened. I'm not going to worry too much, except I want to bring it to the attention of the Legislature that this is the situation we now find ourselves in with respect to royalties.

My first reaction is probably this: I wonder how the government can justify raising royalties by 50 per cent in half of the province? Actually when you look at the map, I don't know how many of the members are familiar with Zones A, B and C. Roughly speaking, Zone C is the north zone and it runs from some place west of Ponoka and up along the North Saskatchewan River. The central part is some place west of Calgary and then swings down south.

I wonder how the government can justify the position of raising royalties by 50 per cent in the central part and southern part of the province, and yet at the same time the government has also indicated to the municipalities that they will not be able to receive their incentive grants unless they keep their mill rates within the 7 1/2 per cent guideline.

We also know that the school districts are also told to maintain no increases, or very small increases in revenues. At the same time here is the government -- and the government itself incidentally is increasing its revenues by 13 or 14 per cent. So we have a situation whereby we have an ultimatum going out to municipalities to keep their mill rates within the 7 1/2 per cent guideline and at the same time the government is increasing its royalties by 50 per cent. I say that this is certainly a situation which is most difficult to understand.

I think I should also make the observation, Mr. Chairman, that when you have an increase of 50 per cent in the central part of the province, and 50 per cent in the southern part of the province, and 20 per cent in the northern part of the province, I think I can justly say this is right discrimination against the central and southern parts of the province.

AN HON. MEMBER:

Hear. Hear.

MR. FRENCH:

If you are going to increase royalties, why aren't they increased by 50 per cent straight across the board?

We realized a few years ago that when these royalties were cut pending some studies which were made on the ratio assessment -- and I trust, Mr. Speaker, when I mention ratio assessment that it will only be in reference to the royalties because the two were linked together very closely -- we know that the royalties were cut pending this study. But here we have a situation where all of a sudden the royalties are increased 50 per cent in the south and central parts of the province and only 20 per cent in the north.

I would also like to know, Mr. Chairman, by what decision this was made. At one time the royalties were set at 20 per cent in the south, 16 2/3 per cent in the centre, and 12 1/2 per cent in the north. This was the result of a very scientific study. Mr. Scotty Campbell, who was with the department at that time, was a very knowledgeable person in grass, and considered one of the outstanding authorities in North America. There were other people in the department. This form was arrived at with a great deal of study and a great deal of consideration.

Now we have this scientific study that has gone out the window and we have this other decision -- I don't know what to call it -- maybe it is a political decision. I would hope that it is not a political decision. I am wondering if the government is trying to improve their popularity in the northern part of the province, knowing full well that as far as the southern part of the province is concerned we haven't got a hope of improving their popularity down there. I am not going to be too concerned. It is certainly their decision.

But I would like to go back, Mr. Chairman, with the permission of the Legislature and have a look at this whole history of royalty rates. As I mentioned earlier, for many years we had royalties set at 20 per cent in the south, 16 2/3 per cent in the central part of the province, and 12 1/2 per cent in the north. Again, I want to emphasize that this was based on a very scientific study. It took into consideration the feeding value of the grass in the different parts of the province. It took into consideration that the grass, as far as the northern part of the province is concerned, is not utilized on a 12-month basis whereas in some parts of the province they have a longer use. These rates established the fact that an animal is grazed on a particular piece of land for a 12-month period, and so on and so forth.

For many years the royalty which was paid on the grazing lands was paid into the Department of Lands and Forests and the rental was based on a very simple formula. It was the price of beef times 250, times the forage value divided by the carrying capacity and that came to x cents per acre.

The Department of Lands and Forests collected the rental or the -- I suppose -- yes it would be the rentals, grazing rentals, and half of the rentals went back to the municipality. So here we have a situation where the government collected the royalty and half of it was used for municipal expenditures.

Well, then in 1968 the decision was made to assess all the grazing lands, and at that particular time it was decided that the royalty would be cut in half so the municipality would use the assessment plus a mill rate and also the person using the land would also pay half of the original royalty. So in other words, as far as the rancher was concerned he did pay his taxes plus a royalty.

This was the start of our whole problem. There was an Order-In-Council passed on October 31, 1968 which set out the pasture schedules in the different parts of the province on a carrying capacity.

I only want to indicate one point, and that is that the maximum value for pasture land was set at \$12.50 an acre. We know that the maximum value for arable land is set at \$40 an acre so this is where we arrive at the ratio of 1 to 3.2. It is also true that when you come to assessment in arable land that you have your plus and minus factors, you have the question of irrigation and some other things. But basically the ratio is 1 to 3.2.

For anyone who has ever made any study into the ratio of assessment, they know the formula is wrong. We've known that for a long time. I could go into a great deal of detail and prove my point except that we've had quite a number of studies.

Again I want to indicate to the House that when this ratio was set at 1 to 3.2, it was decided pending the different studies that were made, we had a number of resolutions passed in the Legislature, I well recall bringing this matter to the attention of Public Accounts in 1969. And we had some interesting debates.

Maybe the members might be interested in what happened on May 2, 1969. There was a general discussion in the Public Accounts Committee, the Public Accounts Committee recommended to their committee that some studies be made, and then the chairman of the Public Accounts at that time reported to the Legislature. And incidentally the chairman of the Public Accounts at that particular time was the hon. Mr. Russell. So Mr. Russell moved, seconded by Dr. Horner, and this is the resolution before the Legislature on May 2, "That the Legislature concur in the Public Accounts Committee recommendations that the Department of Lands and Forests' new lease-rental policy be postponed pending clarification of land assessment and taxation in Alberta."

I'm sure that many of the members who are in this Legislature today were aware at that time, as they are today, that the ratio of assessment was wrong, that maybe we should do something about it, we should have some studies, and so we have a situation where a motion was brought to the attention of the Legislature. It was moved by Mr. Russell, seconded by Dr. Horner, and incidentally, when I look at the people who voted in favour of the motion, I was one of the ones who voted in favour of that particular motion.

Then the Western Stock Growers commissioned a firm called Hedlin and Menzies to do a study. I don't wish to take too much time in going into their report, except that on page 3 of their report they indicate that, "the assumption that the productivity of top grazing land is related to the productivity of top cultivated land in a ratio of 1:3.2 is not in accord with available data." So here we have a report by Hedlin and Menzies. They also indicate that they are not satisfied with the ratio.

The following year, 1970, I moved a motion in the Legislature that the government give consideration to initiating a study to determine that the assessment rates now prescribed for application to arable land, patch lands, and lands used for haying purposes are in fair and equitable relationship. This motion was passed, but not before an amendment was moved by Mr. Copithorne and Dr. Horner that no increase or change in rates be made until such a study has been completed. The amendment was not carried. The original motion was carried. So in effect, Mr. Chairman, we have an order of this Legislature that we must have this study, and as I say, we have been carrying on certain studies.

Then on March, 1970, there was a special committee appointed, one from Agriculture, one from Lands and Forests and one from Municipal Affairs. They had a whole look at this matter and then brought back a report. They reported that their findings weren't conclusive. In other words, I take it for granted that the members of this special committee couldn't agree on what the proper result should be. So, following that, the government appointed what is known as the civil report. This group was commissioned on February 16 and they tabled a report on March 24, 1972. It was commissioned on February 16, 1971, and the report was tabled on March 24. And reading very briefly from page 66 in the report:

Finally, we conclude that the ratio system of assessing arable and grazing land does not appear to be valid. This is probably due to the fact that arable land and grazing land prices are moving up and down in response to a different set of factors than those reflected in the assessment manual. As well, there are different factors showing up in southern Alberta than in

central Alberta. Further study would have to be undertaken by the department concerned in order to isolate these factors.

Then, as we know, this afternoon I asked the hon. Minister of Municipal Affairs a question as to whether the government has finally come to a conclusion with respect to ratio assessment. And, if I understand the minister correctly, he indicated to me that it probably would be another six months before he will be able to bring in some answers to the questions.

I was interested to note that in the Interim Report of the Task Force on Provincial-Municipal Fiscal Arrangements, dated August 15, 1972, they did make reference to the property tax on grazing leases, and it says on page 32: "A task force will report on this subject as requested by the minister in accord December 15." And so I presume that this has happened.

Now we have a situation, Mr. Chairman, where we had resolutions passed in this Legislature indicating that we must have a study. Many of us feel that the ratio assessment is wrong. We have asked that no increase in rates be made until such time as we know all the answers. Here we have a situation where the Provincial Treasurer in his budget has indicated there will be no tax increases. A few days later we have an Order-in-Council passed where we have an increase of 50 per cent in more than half of the province. These things to me are just not consistent.

What are the logical conclusions? I think the first logical conclusion, Mr. Chairman, is simply this: once you overtax the cattle industry, the first thing you are going to do is encourage over-grazing. Once the land has been over-grazed it is going to take many years to come back. So the simplest way to ruin the cattle industry is just to raise the taxes more than you should -- you'll get over-grazing and the first thing you know you will have ruined the cattle industry. It's just that simple. I am quite concerned about this whole area and I feel, Mr. Chairman, this is a very essential matter.

I would like to move -- I don't know what our procedure is. I believe we are talking to a motion of supply now, and any motion that I make must be in the form of an amendment, is this correct Mr. Chairman? Is this a ruling, or am I permitted to move an ordinary motion?

MR. CHAIRMAN:

Amendment.

MR. FRENCH:

I have to move an amendment? I would move the following amendment, seconded by Mr. Strom:

That the motion be amended by adding the following words --

The ones I am sending up, Mr. Chairman, haven't got the words, "that the motion be amended by adding the following words," but I have written it in on a few of them there and I think you will be able to follow. I have at least given you one.

That the motion be amended by adding the following words:

That the Order-in-Council No. 385-73, dated March 13, 1973, be rescinded, and that no increase in rates be made until such time as an equitable relationship in the ratio assessment between arable and pasture land has been made and that the percentage of the forage value revert to 5 per cent in the south A district, 4 1/6 in the central B district, and 2 1/2 in the north C.

The reason for moving this amendment I think is quite plain, Mr. Chairman. We have not completed our studies. We have not received the final result of the studies with respect to ratio assessment. The Legislature itself -- my motion has asked that no --

MR. CHAIRMAN:

Mr. French, may I just have you pause for a moment? My understanding is that this motion at present would have to be amending the motion by increasing or decreasing the amount presented by the chairman of Subcommittee B. This really doesn't deal with the resolution as it is now before the House. The resolution, as presented by the chairman of Subcommittee B, seconded by the Minister of Lands and Forests, is: "That a sum not exceeding \$30,370,700 be

granted...", you see, so I just don't believe that this motion would be the proper motion at this time.

MR. FRENCH:

Could I ask the Chairman then, would it not have a bearing -- we're talking about the budget of the Department of Lands and Forests? We have capital account for "x" dollars. I could look it up. We have so much capital account in the Department of Lands and Forests. We have income account --

DR. HORNER:

On a point of order. I'm sure the hon. gentleman, and I don't want to contend his right to debate the question, whatsoever. But any motion such as he proposes should, in fact, be made as a proper notice of motion and be put on the Order Paper. It is not in order in relation to the discussion of the Estimates, whether we consider the way we are doing them now or whether we consider the way we were doing them in prior years. Because any motion in regard to Estimates, and I think I could find the appropriate section of Beauchesne very quickly, must, as the Chairman said, either increase or decrease the amount of the Estimate. It cannot relate to a general policy matter. So, with all sincerity I suggest to the hon. member that, in fact, the motion would be better placed on Orders of the Day and a general debate then could be had upon it. But it is not in order under Committee of Supply.

DR. WARRACK:

Mr. Chairman, just very briefly ...[Inaudible]... and let the hon. member conclude his remarks. I think the source of confusion here is thinking in terms of capital account and income account where the terminology is rather confusing, but income account really means operating expenditures and does not refer to revenue, which is another matter.

MR. FRENCH:

Thank you, Mr. Chairman. I accept your ruling. I will be very happy to move this. It will give me an opportunity to bring it all back to the Legislature for another 40 minutes some other time. In the meantime I am concerned that here we find ourselves in a situation where the government in its Budget Speech of March 2 has indicated that they are not going to increase taxes -- and this is a Budget Speech in the Budget Debate -- and some few days later we find that they have increased the royalties by 50 per cent in the central part of the province.

I think I have a responsibility as a member representing an area in the southern part of the province, or the central part of the province, to bring this to the attention of the Legislature.

I also think it is rank discrimination against a segment of the province, certainly when you raise royalties 50 per cent in part of the province and only 20 per cent in another part of the province, I think I can certainly say it is rank discrimination at least against part of the province.

I am very concerned that the scientific study which was originally established after a great deal of study has now gone out the window. Now we have a decision -- I don't know whether it is a scientific decision -- I would hope that the hon. minister when he is responding to my remarks would indicate whether this is a result of another scientific study. If it is, would it be possible to table the study so that we can examine it? Some of us are very interested in this whole area and we would like to know on what basis this decision is made. If it is a scientific study certainly we would be very interested. If it is some other type of decision then I think the minister should say so, so we will know exactly what it is.

I am more concerned, Mr. Chairman, with the ratio of assessment than I am with the royalties. I still go back to what happened in 1968. This is where the problem is. As far as the royalties are concerned, I realize they were cut in half a couple of years ago pending this study, and as far as the royalties are concerned, it is really just a side issue. The basic problem we have is the ratio assessment and until such time as we can correct this ratio assessment and bring it into a fair and equitable line, then I have a responsibility -- I think -- to address my remarks to this Legislature and keep working in this particular area.

I think somebody has bungled and they have botched the whole question. Why don't we get on with this ratio assessment, this is where our problem is. Let's

get this settled and then when that time comes, as far as the royalties are concerned, let's have the royalties the way they should be, based on forage value, based on feeding value in the north, and the south and the central part of the province.

And then as far as the cattle industry is concerned, they will know where we are going. The cattle industry is one of the industries that is on a long-time basis. You don't go into cattle overnight. When you go into cattle you are on a long-time basis and the cattle people must know how their decisions are going to be made. When you get into an area where you are paying about 30 per cent of your net income in the form of taxes and royalties, you are getting into a pretty high area. And I don't think there is any other part of the province that is contributing what we are today.

So, Mr. Chairman, it may be my prerogative later on to bring this amendment back in the form of a motion some other time. I certainly didn't wish to try and promote this. I just thought it would give us an opportunity to have a free discussion on this idea of going back and as I say, I accept your ruling and I really felt we are dealing with income accounts the same as we are the other accounts, and I would be well within my responsibility to bring it to the attention of the members this afternoon.

DR. WARRACK:

Thank you, Mr. Chairman. First of all I take the opportunity to thank on behalf of, I think, all hon. members in the House, I thank the hon. member for a rather lucid review of some of the problems that have occurred and in some cases become more and more difficult to manage in this area.

Basically with respect to the fact that there is a very large acreage of grazing lands that are leased by the provincial government to the cattle industry, both in the Department of Lands and Forests, some 5.3 million acres and an additional large number of acres in the Department of Municipal Affairs.

The recounting of the difficulties in terms of not only the question of what is the fair and reasonable return with respect to grazing fees, as the cattle industry has access to public lands for grazing purposes, but also the problem on the other hand, of an equitable assessment ratio between cultivated and non-cultivated land which is really the issue there and the way that this became more and more a problem over the years.

I would respectfully remind the House, however, that when the hon. member says that the problems really came about in 1968 and 1970, that was before my time.

In terms of the sequence however, there were difficulties in the method described so very well by the hon. member in terms of the grazing royalty being charged and then exactly doubled. The doubling to take into account the need for assessment and that money to be paid back to the local municipal districts and counties. This was done.

The problem it created of course was for the local governments, the municipal districts and counties, is that they then had a variable income to their local governments from the grazing lands. In some of the counties and municipalities this is a very substantial amount because the percentage of the land that they cover is a very extensive amount of public land. And so it is indeed a very major problem for them. One problem that was alleviated was to put the assessment on an independent basis between the holder of the grazing lease and the local government so that that was treated as one unit and separately of course, the matter of grazing fees between the provincial government and the lessee. This was done beginning January 1, 1970. From there -- and I have just got to correct one point -- it was not specifically in terms of resolving the debate then and now with respect to what is the proper assessment basis but in terms of a one year transition to have the grazing royalties remitted in part, the part being exactly one-half. In other words, the calculated royalty divided by two became the royalty for the year 1970. And that was the first year under the new operation.

I would take the opportunity to assure the hon. member that indeed the forage value formula to which he refers where the value equals the 250 pounds, the estimated gain from the forage lands, times the price -- that is the price for the last six months of the Calgary Livestock Market not including choice grades -- I am sure a number of hon. members are familiar with this -- divided by the carrying capacity is indeed the existing grazing royalty structure that is used to calculate the grazing fees.

Now that forage value from the grazing lands is in turn multiplied by a factor to represent the south, central and northern parts of Alberta. And as the hon. member commented, the reason why that multiplication by south versus central versus northern is different is to reflect the utilization of grass, that varies from one area to another to reflect the shorter grazing period in the north. Some of the other kinds of problems that are particularly severe in the north -- such as the predator problems, and of course, the transportation disadvantage for those that are producing livestock a great distance from market. Those are the reasons why there is any difference at all, Mr. Chairman, and the question of the scientific study to which the hon. member refers is, how much difference should there be? That is what the study to which the hon. member refers, determined with respect to the grazing royalties as they stood in 1969 being 10 per cent in the south,  $8 \frac{1}{3}$  in the central region and  $6 \frac{1}{4}$  per cent in the northern region.

Now to respond more precisely to the basic points the hon. member raises. First of all -- although I'm sure we can all usefully use a relatively broad latitude in our discussions in the House -- in fact the comment is on revenue to the government, whereas I understand the Committee of Supply's task is with respect to the expenditures of the government. The matter of the revenue side, as I understand it, is not strictly speaking up for debate in Committee of Supply.

At the same time there are two matters that I can clear up for the hon. member with respect to the revenue Estimates, last year as compared to this year. One was, what decision would be made for 1973 with respect to the royalty grazing fees charged? The Estimates prepared for revenues were done of course, well in advance of any time that decision would have to be made.

A second unknown, as the hon. member pointed out, is the weighted price average that comes in from the 1972 to the 1973 formula, and that price is not known until about the third week in January. As I pointed out on Friday in response to his question that weighted average price this year is 34.41 cents per pound.

These were uncertainties, and particularly in terms of the revenue side it's often the case that it is advisable, if anything, to budget on the cautious side. And this is indeed the case.

So those are my comments with respect to the fact that we are really discussing revenue and not expenditures of the Department of Lands and Forests.

Secondly, let me be more precise with the distinction between the south, central, and northern parts of the province and the percentage of forage value charged as grazing fee. The point is, as the hon. member mentions, there was a scientific study of the four factors that I have also mentioned regarding utilization of grass, the related problems such as predators, the shorter season in the northern part of Alberta and, of course, the transportation problems. On the basis of that was the initial distinction in the first place between south, central and north.

Then the question on any given year is whether those old calculations are indeed correct. We re-examined them along with other aspects of the whole area of grazing and other leases in the Lands Division of the Department of Lands and Forests. The result of that analysis, using the same factors and the same study to which the hon. member referred, Mr. Chairman, indicated that there was in fact a discrimination that had been in existence against the north, versus the central and versus the south. We relieved that discrimination by alteration. The alteration in magnitude is to 80 per cent of what it formally was in order to make it equitable.

When I say equitable the hon. member will recognize that in the study to which he refers, they were referring really to equating the value of forage from public lands to that from private lands -- in other words the private market value -- and reflected in terms of private grazing arrangements between private individuals -- one person having the cattle and the other person having land available for grazing of cattle.

Secondly, in the magnitude of the lease assignments -- the hon. member will know what I am referring to -- in the north versus the central, versus the south it indeed turns out that they had been too high in the north relative to the central and the south, and it was removing that discrimination that occurred in the situation the hon. member reflects. I'm sure he will be very concerned about knowing and being assured that, in fact, it was the same consideration with the new 1972 information, instead of considerably older that was used in order to have a fair percentage of rental value paid north versus central versus

south. So that is the second of the three main points I have responded to, Mr. Chairman.

Thirdly, and the easiest of all to respond to, is that surely there is no way on all the earth that anyone would suggest that a payment made for the use of public lands for grazing is a tax. It is not a tax. In other words, if you are to get the same land by some arrangement from your neighbour you would have to argue that your neighbour was taxing you. What in fact you are doing is purchasing the use of those public lands for grazing over the indicated year that is part of the agreement. There is no way that is a tax, and that being the case there is indeed, as the Provincial Treasurer said, no tax increase.

However, just to continue on, with that point, I think, clearly behind us now. To indicate further the analysis that was the determination of whether any adjustments should occur or not, with respect to rescinding a part of the previous royalty remission -- which is the way I had answered your question on Friday, if you will recall -- two basic considerations; one that is always the case is the matter of approaching a fair and reasonable return to the public of Alberta who own the resource so that there is indeed a fair and reasonable return to the public for the use of the resource they own.

Secondly, and perhaps even more important for the cattle industry, and something I feel very strongly about as a person from an agricultural area, is that I really foresee the possible danger, Mr. Chairman, of losing the long-term supply of public lands for grazing unless the grazing fees approach a fair and reasonable return.

Hon. member, if I might address directly, if you were reading the mail that I am getting you would know there is a strong, an increasingly strong pressure from people who comprise the public of Alberta who question the use of public lands for grazing. That is a very sobering kind of thing for an agricultural person, particularly many of us who are concerned about the long-term future of the livestock industry and as a part of that -- looking at ranching -- what is surely one of the most important considerations of all in Alberta: the use of public lands for grazing.

I say to you that the adjustment we have been discussing is, I am sure it is very clear -- and I have discussed it with people in the industry both at the Western Stock Growers and also at the Alberta Grazing Council in advance -- what we are doing is helping the long-term prospects of the livestock industry by a better assurance of public lands for grazing.

So those would be my three basic responses, I think, Mr. Chairman, with respect to the matter that we are really discussing -- revenue.

Secondly, it is an opportunity to clarify the distinction and reasoning that is part of the distinction between the north and the central and the south.

Thirdly, the fact that we are not discussing the tax increase at all, but in terms of the grazing royalties the reasoning behind it to which, it is very clear in my mind, it is essential to take the step that has been taken in order to assure the public lands of Alberta for grazing in the future, a very critical matter that is recognized by the ranching people of Alberta.

MR. FRENCH:

I wonder if the hon. minister would permit a question? As I was listening to your remarks, sir, did you indicate that one of the reasons the forage value or the percentage was increased by 50 per cent in the central and southern part of the province and only 20 per cent in the north, is the fact of its market value? Is market value one of your considerations?

I would like you to explain because I was always under the impression that these values, the forage values, are based on the productivity of the soil. They really haven't too much bearing on market value. I realize in the northern part of the province they have been subjected to some very adverse weather conditions these last few years but I was wondering, you made the statement, something about market value, and I am wondering if this is one of the considerations that you have now given instead of going on to the productivity of the land?

DR. WARRACK:

Yes, Mr. Speaker, I may have confused that because the productivity would be reflected in the carrying capacity as the hon. member is pointing out.



But the non-productivity factors that affect the land value -- rather than the value of the cattle -- such as transportation, the problems of grass conversion, the higher risk including weather, predators, and so forth, the very reasons that in the first place, the percentage royalty charged was 10 per cent in the south, 8 1/3 per cent for central, and 6 1/4 in the north, the same reasons for the distinction now, are exactly the reasons for the different numbers of the same distinction in 1973.

MR. FRENCH:

As far as questions now, I'm having some difficulty in following some of the remarks, but I don't want to delay the committee.

As far as forage value is concerned, you've now got this associated with carrying capacity. Now forage value, in my opinion -- and this is the information I am getting from these experts -- the forage value is the value of the grass. As far as carrying capacity is concerned, this is the number of acres it takes to carry one animal for one year. Now the two are completely separate and they are isolated. Maybe they are together in the formula, but they are in different parts. Your answer would seem to indicate to me that you have now grouped them together. Is this correct?

DR. WARRACK:

No. Let me try it on a manner of thinking in terms of sharecropping, where there might be the value of a crop and one-third, for instance, would go to the landowner because he owns the land. The two-thirds would be remaining for the person who is renting, or if you like, leasing the land.

Now, the forage value the hon. member is referring to is calculated by the same formula in the same way as before. But remember that after you have that forage value, you have to multiply by a share percentage in the south, by a share percentage in the central, and a share percentage in the north to reach the final figure that is the grazing fee. Right? That difference between the south, the central and the north has always been there; for the reasons you mention and I repeat it. But that is the figure, that is the share that you multiply by the value of the forage.

So the same method of distinction between south, central, and north is used except re-analysis shows that the north was too high a share relative to the share in the central and the share in the south. And that adjustment to remove the resulting discrimination was made, and that's why the difference that you have noted, sir, is there.

MR. NOTLEY:

Mr. Chairman, I want to take up some other questions, so that if there are questions on this matter, I'd be glad to defer until we deal with it.

MR. STROM:

Mr. Chairman, I realize that the hon. minister has suggested that we are really dealing with an item of income, and I have certainly no argument with it. What I am suggesting is that we have an opportunity of discussing administration, and this does come under the administration of the Department of Lands and Forests. I think possibly it gives us an opportunity to discuss it in a freer manner than we would be able to otherwise.

The hon. minister, I think, has pointed out very correctly, and also the hon. Member for Hanna-Oyen that there had been a great deal of discontent between the owners of grazing land and those who had opportunity to lease it. And for a number of years I can recall those who held deeded land were arguing, and I think with a great deal of justification, that those who were able to acquire land by lease were not paying what would be considered as a fair share of taxes on comparable land. And it was for that reason, of course, that the change was made whereby land -- grazing land or Crown land -- would be assessed and a tax levied against it. At the time of implementing that policy, we received a great deal of criticism that the ratio between cultivated land and grazing land was not correct. You have just given the figures yourself and stated that there is no change being contemplated at the present time. I believe the hon. Minister of Municipal Affairs has correctly stated that it is still a matter under consideration. I realize the argument that is going on, on that particular score. There are a number of people who are arguing that it is wrong. Some say it should be higher, some say it should be lower.

It brings us to the place, of course, where we are now facing an increase imposed by the Department of Lands and Forests while the question is still pending as to whether or not the ratio is correct within the Department of Municipal Affairs. And the point I would like to make, is that I am wondering -- I have some serious doubts, as to whether or not we ought to be really considering a change of the formula within one department while the formula within the other department has not been determined.

I would like to have the minister respond as to whether or not within the Department of Lands and Forests, you are actually attempting to bring the rate up to its full maximum, where it was prior to the decision to cut it in half.

If this is the method that is used, I think we can understand the reason for trying to implement it, but I would again have to point out to the minister that I question the advisability of using that approach until we actually have a firm settlement within the other department that relates to assessment in taxation. And I would certainly be interested in having some further statement on that.

DR. WARRACK:

I'd be happy to do that, Mr. Speaker. I think there are really two ways to respond. The first is that I have looked at the comparison, if we can follow it together, the comparison of what difference it made on grazing lands to be taxed under the new assessment ratio versus how much had been paid in lieu of taxation by the government of the royalty.

In some instances, but very few, there was less paid. In most instances, there was an amount of additional tax paid. But when you compare those magnitudes, the amount of additional tax paid was nowhere near the amount of decreasing royalty that resulted by cutting the royalties in half.

As a matter of fact, if you compare the 75 per cent implementation of the grazing fee structure as it stands now, and the fact that that represents, to turn it around, a decrease of 25 per cent from the calculated royalty based on forage value, if you compare the 75 per cent with the position that the grazing lessee would have been in after the new assessment ratio and generally some increase in taxes, on balance, he is still better off. If you work with the numbers you will find that that's true.

In terms of what policies might be undertaken in the future, the matter is insensitive to the alternatives that we have before us. That's the first response.

The second is that in no way do I wish to imply by the determination of the grazing royalty fees for 1973 that is an entirely independent matter from what might be decided for the future, 1974-75. So this is not a forward commitment of any sort in terms of future years beyond 1973.

MR. STROM:

Mr. Chairman, I am wondering then is the minister saying to me that the formula being applied this year is not directly related to the recovery of the 50 per cent cut that was made previously, but rather that you are looking now at a new approach and a new formula and the formula as proposed by yourself could be considered as 100 per cent value right today?

DR. WARRACK:

No, Mr. Speaker. The same formula is being used, and the simplest possible way to look at it, instead of 50 per cent of the royalty being charged, it is 75 per cent of the royalty in 1973. So it is the same formula.

MR. SORENSON:

Mr. Chairman, I would like to go to another area in the hon. minister's department.

MR. CLARK:

I've got something further on this area.

MR. CHAIRMAN:

Fine, Mr. Clark on the same subject? Oh, Mr. Speaker.

MR. R. SPEAKER:

Mr. Chairman, the minister has explained a certain comparison that he has done and I was wondering if he could put that down on paper so that we could examine it. I'm sure a number of my constituents will be asking about the question you just answered for the hon. member. I would appreciate having it in written form, if I could.

DR. WARRACK:

This represents some of my frequent late night work, as a matter of fact, and it isn't something that is in a report form. But if it wouldn't press me too much, time-wise, I could try to work out something like that.

MR. R. SPEAKER:

One of the things I would like are the numbers that go along with it, for the benefit of the Minister of Agriculture.

MR. CLARK:

Mr. Chairman, I'd like to go on to a point the minister missed in his initial response to the Member for Hand Hills -- or Hanna when he -- Hanna-Oyen, thank you. It is the only time I agree with you today. Good for you.

MR. CHAIRMAN:

You've got it right. It's Hanna-Oyen.

MR. CLARK:

Thank you. Now, if we could get on with the matter at hand. The matter at hand is that in the course of the minister's comments he used, as one of the reasons for an increase in cost to the rancher -- or in my particular area, the grazing associations and the grazing lessees -- that the reason for increasing the price was that there was a great deal of demand on the minister for some other use of this kind of public land. I would like the minister to elaborate on this somewhat. Then I have a follow-up question after that, Mr. Chairman.

DR. WARRACK:

I assume that the follow-up question is on a different part of it, or independent?

MR. CLARK:

No, on this matter.

DR. WARRACK:

Well, then, why don't we just have both of them?

MR. CLARK:

Well, it all depends on what you say, whether I have one or two questions.

DR. WARRACK:

As a matter of fact, Mr. Chairman, the use of public lands is a question of allocation of those public lands to the best public use. Because after all, of course, the public can decide on the use of what they own. From a large number of the sportsmen in Alberta particularly, there is concern expressed that for recreational value, and in that way related to tourism, and in that way related to dollars that can be brought into Alberta from outside of Alberta; and secondly, of course, the dollars that can be prevented from leaving Alberta to go to other places, that it may very well be that the return on the lands, some of them, might be higher for other uses than for raising livestock.

This proposition has been made in a number of instances to me, and I see it as a growing concern among a pretty substantial percentage of the public.

As a matter of fact, it is clear to me as well, Mr. Chairman, that there is going to be more and more attention paid by more and more people in Alberta to lands generally, and first among them, because they own them, to public lands. With the Environmental Conservation Authority hearings, for example, that will be held in the five recreation corridors in Alberta, I really expect a pretty

good chance that there will be a detailed kind of attention paid to this very matter as to comparison between its use for livestock grazing and for other uses largely related to recreational developments and use to promote the tourist industry, and so forth.

MR. CLARK:

Mr. Chairman, then I really have two questions for the minister, because it seems to me that a decision of that nature as to what we are going to use public lands for -- public land that are now being used for the cattle industry, for grazing, for livestock -- certainly a decision on that basis can't be made by the Department of Lands and Forests.

It would have to be very much in keeping with what is being done by the Minister of Agriculture in making the guaranteed loans available and the emphasis that we have heard a number of times in the Legislature, and I think rightfully so, on the importance of the cattle industry to the province.

It seems to me that if we are going down that road, and I think we are, of increased opportunities for young farmers and people presently in the industry, then if that is the commitment we have, or that is the priority we have, then that says something about what we do with public lands in this province.

I think it would be a serious mistake to give the impression to Albertans that we are going to keep public lands available for grazing only if we can have the rates high enough so they can be somewhat comparable to what the government might be able to get through the Department of Tourism or some other government department. I think that is rather significant, that first point. In my own particular constituency we have several grazing associations in the forestry area and the County of Mountain View is one of them. For us to now start talking about taking those grazing associations, or suggesting taking those grazing associations out of the use of the cattle industry and looking at some other use of them at this time is really going to hit a number of farmers in that particular area between the eyes, because they have been operating for a relatively short period of time, perhaps five to seven years, and they are just building up their operations. If they can't count on the use of that land for a substantial period of time then their cattle operations are going to become very difficult.

The other point is this. When the minister was commenting to Mr. Strom, he said that we should not look at the increased costs to the rancher this year as a forward commitment for 1974 and 1975 and so on. It seems to me that if that is true, that the case the minister makes earlier about getting more revenue from this land so that it is easier to defend with the fish and wildlife and recreation people and so on for the use of this land for alternate uses -- now that argument falls down. Because when the minister uses that argument I interpret that to mean that if we could get enough additional revenue out of this area then we could keep that land being used for grazing. On the other hand, if this is no commitment for the future, no forward commitment, and if we read into that that there could be a reduction next year, then the whole proposition of your argument falls down, because of the revenue aspect and the argument you used for increased revenue so we could keep the land being used for grazing.

DR. WARRACK:

There are three things, Mr. Chairman. The first is that -- all will recall that with respect to the matter we are now discussing -- this was one of the factors, not the only factor.

Secondly, I didn't suggest any withdrawal of land from use by cattle grazing and in fact I would work very hard to prevent that kind of disruption from occurring. But I also know that the supply of anything depends on the value it commands -- in other words on price. So certainly that is recognized by all and including the long term supply of public lands for grazing and merely, really, on that point to make sure that no one misunderstands that I was suggesting that the lands ought to be taken out. But I am suggesting that there may be, particularly if there is a limited return with respect to public lands for grazing; there is a very definite danger of the public lands for grazing being demanded to have its removal.

On the third point I think the hon. member became less convinced as he went along. If he suggesting that indeed there should be a further increase in future years, I will be prepared to take that as a suggestion.

MR. CLARK:

The minister himself is greatly confused in this particular case. He knows very well that this is just an increase in taxes this year, and he has tried to explain around this increase. I would suggest for his edification that he go back and read or listen to the tapes of three or four years ago during the debate that the member from Hanna-Oyen referred to, when his colleague the Minister of Agriculture, now the Deputy Premier went on at some length in this House, and had a great of fun I might say with the government of that day, in referring to an increase in the very thing you are increasing here as a new tax in this province -- increased taxation. So it is just a matter of where you sit in this House whether it is a matter of increased taxation or whether it isn't. I suggest to you that your argument was pretty flimsy when you talked about no increase in taxation.

But I want to make it very clear to the minister -- and some days I think he needs that -- no one over here has talked about increasing the cost to the rancher involved. In fact, the Member from Hanna-Oyen made it very clear, I think, that we question very genuinely the propriety of an increase at this time.

DR. WARRACK:

I didn't think the hon. member would really enjoy my response. But in any case, if it is an increase in taxation such as an increase in property taxes, that is, an increase in taxes. If it is in fact, a rescinding of a royalty remission, that surely is not a tax.

MR. CLARK:

It still costs. A fellow still has to pay for it.

MR. CHAIRMAN:

Any other questions on this same topic?

MR. STROM:

Another point I would like to raise, that I wanted to touch on when I was on my feet before. The hon. minister I believe, said one of the reasons the area, the No. 3 Zone, was reduced was because in the south there were greater premiums paid -- now, I am not sure I heard him correctly -- greater premiums paid in the transfer of leases or in the acquisition of leases by people in the southern part of the province? And as you know, you are well aware of the fact there are cash bonuses paid for leases very often. I am just wondering, was that one of the points you mentioned?

DR. WARRACK:

Yes, there are at least three major indicators that come to mind in terms of getting a handle on the market value of these productive inputs. One of course, is what is charged as a private transaction, one to another. Another is the cash bonus bid that is paid. You may be aware that some of these have come through extraordinarily high recently. Third, of course, is the lease assignment value, you know, the assignment of one lease to another and what is paid to get access to the lease. Half of this, in fact, goes to the Department of Lands and Forests and the other half goes to the person who held the lease in the initial instance.

The comparison of those three factors zone by zone -- that is, the difference is larger than it was before the case.

MR. CHAIRMAN:

On the same topic? Oh, Mr. Strom.

MR. STROM:

I would just like to point out again though, if that is one of the reasons, then it becomes a very weak argument in my view, because the government at the present time is able to recoup a considerable amount, as you know, of the bonus that is paid. It would seem to me that what you are doing now is adding a further penalty that will stay there for years to come, or forever, if it were to remain on this basis. I would find it very hard to use this even as one of the arguments to the people from the south as the reason theirs has to be

higher. I would have to say right now, and I don't necessarily expect the minister to respond to it, I simply want to voice my disagreement with this being used as one of the criteria.

MR. BENOIT:

In explaining the reason between the 50 per cent raise in the central and south portions and the 20 per cent in the north portion, you said that you were attempting to remove a discrimination that presently existed in the north. Would you explain to us in what respect there is a discrimination and how it came about, in that respect.

DR. WARRACK:

Gee, I thought I did that twice. With respect to the considerations -- you know, the form mentioned by the hon. member and then repeated by myself -- that is the reason why all along there has been a different share of the forage value charged. Those same reasons applied to the contemporary situation being that the north had been overcharged relative to the central and the south or, if you like vice versa, the south and central had been undercharged relative to the north. So in fact to equalize that fact and to remove the fact that in those considerations there had been more charged to the northern grazing operation than should have been the case relative to the central and south, the adjustment was made.

MR. BENOIT:

Did you take into consideration your own report, which says that grazing conditions, for instance in 1971 were generally good throughout the grazed areas in Alberta except for fair in the southeast and parts of east central Alberta pointing out that they were better in the north than they had been in the south. Also the fact that in the south a considerable amount of grazing land had been taken out of the grazing area for wildlife habitat?

DR. WARRACK:

The hon. member is, of course, looking at the new annual report. You'll find that the annual report next year, which goes up to March 31, will read just the opposite. So, in fact, it happens that you are looking at one particular year as across the entire spectrum of years it has to be the basis on which to establish a policy.

As a matter of fact the hon. member does make a point with respect to the problems in the increasing demands for public lands, the fact that there are increasing demands to use the land for other things than grazing. I'm sure that in your area you are experienced in this already.

MR. CHAIRMAN:

Any further questions on this topic? Mr. Notley.

MR. NOTLEY:

Mr. Chairman, I wonder if I could pursue this for just a moment. I was interested in the minister's comments on the competing demands for public lands and the hon. Member for Olds-Didsbury asked him to clarify that. He did in a sense, but I wonder if he would do it in a little more detailed way, because it seems to me that the point you made that increasing the rate here is somehow going to protect land for grazing.

It would occur to me that in those areas where the competition for public land is most acute that grazing will never really be able to compete, for example, with prime recreational land. It would seem to me that really isn't an argument. I wonder what other types of competition you are looking at and if you could specify a little more precisely what you are talking about. I can appreciate the recreational competition, but it seems to me if we are going to nail down the use of public land we shouldn't just use the market factors. In my judgment grazing is always going to be at a disadvantage.

DR. WARRACK:

Certainly, Mr. Chairman, with respect to anything that we would call prime recreational area by it being prime in itself it would pretty well mean that it's a clearly greater public interest for use in that prime recreation area than would be the case with respect to grazing.

It's really a question of a relative value, and indeed I think there is some point to be made that only market considerations, regardless of philosophies, should not be taken into account. There are other considerations that should be taken into account, for example the considerations of the hardship that could be imposed on individual operators and/or communities if, for example, we had wholesale withdrawals of public lands from grazing because it was contended that even for a secondary recreational use they should be withdrawn. At some point there is a necessity to balance this factor in there that is not entirely a market factor and I am inclined to agree with that point.

In addition, however, it's very, very clear that certainly the value that is the yield to the public for the use of public resources such as land that value expressed as dollars is one of the very important considerations that determines the proper allocation of this.

In terms of other things the land could be used for, there are certainly other considerations. Some would contend, and have to me, that even wilderness -- just having it available to go on in case somebody wants to -- even that amount of use some would contend would be a better use than grazing. I certainly don't agree broadly, although certainly in some areas we would want to represent as much of Alberta's natural ecology as possible -- the wilderness area -- and this, of course, is one of the efforts that has been made.

All the way from that to the varying degrees of other uses, largely recreational, up to what one might describe as a prime recreational area. This might be the establishment of a large and intense recreation unit which might include a lodge. It might include some pools, golf courses and so forth. This then would surely be a prime recreational use. All across the gamut of recreational uses particularly, there are those who suggest that these are better uses than simply grazing.

It is a matter of relative proportions in terms of (a) the amount of return to the public for the value of the public resource they own, and (b) the extent to which we are prepared to be commanded by market versus non-market forces.

AN HON. MEMBER:

What about (c)?

MR. NOTLEY:

Mr. Chairman, it seems to me that if we are not to have the market aspect play too big a role -- a larger role than it should -- the only real answer is to move ahead with our land classification or our land use concept. Because it seems to me that is the only real way we are going to balance the other aspects against the market conditions in the long run.

DR. WARRACK:

Let me point out that there is a detailed study underway at this time called the Foothills Land Use Allocation Study. As a matter of fact this is divided into four phases. The preliminary report of phase 1 was tabled in the House on November 6, 1972. We will be proceeding with the other phases and Phases 1 and 2 have the detailed kind of inventory information as to land classification and value, and then phases 3 and 4 look at the current and projected demands which would be matched up against that supply of characteristics. That is in the Foothills Land Use Allocation Study area which includes most of the area where there is a high degree of demand for the use of public lands for purposes other than grazing.

MR. R. SPEAKER:

Mr. Chairman, I would like to make a comment first of all in support of my colleagues in the concern they have given to this Assembly. First of all the coordination between the Department of Lands and Forests and the Department of Municipal Affairs has not taken place at this time. That concerns me.

Secondly, it is an increased cost to the farmer at this point, and as the now Deputy Premier said a few years ago, "Call it what you want -- it is still a tax." Certainly I feel it is a tax and it is an increase, and it is an increased revenue to the province to be spent maybe on other things outside of grazing associations. It isn't money redirected back into grazing associations or grazing improvements and so on. It goes into general revenue. I am concerned about that.

I think one of the things the minister should recognize when he talks about a fair return to the public is the different types of lands -- and I am sure he is quite aware of this -- that are available. First, the grazing privileges that are available to a private farmer. That is one thing. The grazing privileges available to a private farmer where he has his own deeded land -- that is a second thing. There is Crown land. There is deeded land. Thirdly, the area of the grazing associations themselves.

I have always felt, as an MLA and as a person concerned and involved in this type of activity, that grazing associations had as their purpose one of assisting and helping farmers to supplement their income or to economically improve their own farming conditions. I have always felt, due to that fact, that we should look at the idea of a fair return to the public from those lands on a different basis. If we are possibly subsidizing an area that is one area that should be subsidized. I would rather see assistance go to a farmer on that basis, because what it does is assist the farmer to help him in his own personal or private initiative. He builds his own herd of cattle, he builds his own farm. But when we subsidize a farmer directly by grants, or by monies, that doesn't create the same kind of stimulus. And I've always felt that under those terms of reference we should consider grazing associations as such, where a group of people are working together to assist and help themselves build a better farm, that there should be a different attitude towards that particular item.

Where we look at the private farmer who has deeded grazing land, and the private farmer who has crown grazing land, then I feel we are in a different area once again. Because my concern, first of all, is that the private farmer may need this assistance, that is correct. But the farmer who has gone out on his own and purchased the land, pays a certain tax to the local municipality or county. The person who has an agreement with the Department of Lands and Forests with Crown land, their charges are not the same, they are less. I think this is an area that should be examined and brought into greater equity.

Those are some comments as to how I observe the thing at the present time. But I am concerned about the increase in rates to the grazing associations at this time.

DR. WARRACK:

Yes, Mr. Chairman, I think basically the point the hon. member is making is to have a distinction between royalties on public resources that might be renewable versus non-renewable. And then it's a question of degree. You know there is bound to be, because it's subjective to a very great extent, there is bound to be some degree of disagreement with respect to what the degree of difference is. But I think the point is well made in terms of recognizing a distinction.

I might also take the opportunity, Mr. Chairman, to point out to hon. members that there are a number of programs by means of which improvements on lands held by grazing associations, and other situations, are facilitated and to some extent you might say underwritten to a degree by the department and by the government. I want particularly to point out something that is new this year. Under the ARDA Three Agreement, not only is improvement available on a grant basis to associations, but also, it is available for the first time to individual lessees and individual holders of deeded land for grazing purposes. It just occurs to me that would be a useful bit of information to put forward.

MR. R. SPEAKER:

I have a question with regard to the Lomond Grazing Association. Their plan is to apply some of those grants to improving it on their land, is that correct?

DR. WARRACK:

I'm sorry I missed part of it.

MR. R. SPEAKER:

The Lomond Grazing Association, I understand is applying, or making application through the department, along with the department for those grants for grazing land improvement. Is that correct?



DR. WARRACK:

I'm not positive offhand whether that's correct or not. I'm afraid I'd have to check.

MR. DIXON:

Mr. Chairman, I wonder if on this -- I'm anxious to find out just what the Farran Task Force had to do with the government's decision regarding the increase in fees, because at the Western Stock Growers' meeting in Banff, quite a stir was caused by the fact that the chairman of the task force refused to discuss the problem of grazing leases and other matters with the cattle people there.

I was wondering, was there a news blackout, or a directive to the effect that the hon. chairman of the Farran Task Force was not to discuss this with the Western Stock Growers, because to me that is when it should have been publicly aired. If the government had any idea of raising the fees, those were the people who should have heard about it.

The hon. chairman, or one of the ministers -- the Minister of Municipal Affairs or yourself -- could discuss this because they were very, very discouraged by the fact the hon. chairman of the task force, who is now the hon. Minister of Telephones and Utilities, would not discuss this issue with them. And all of a sudden, as soon as the new year comes, we're able to announce all the changes. Wouldn't you think a public discussion at that time would have been a good thing?

DR. WARRACK:

Mr. Chairman, I think a public discussion at that time was an excellent thing. As a matter of fact, I went there and discussed it. And if you read the most recent issue of their magazine you will see it reported in it.

MR. DIXON:

My question, Mr. Minister. I am more interested in who told Mr. Farran he couldn't speak on the subject? I think that we should have heard from him as to well as anyone else. Because we were led to believe in this House that the Farran Task Force Committee was going to make a thorough study of all taxation, fees, and other things relating to the people in Alberta. So I don't see why he was discouraged from speaking at that meeting.

DR. WARRACK:

Well, Mr. Chairman, it's news to me that he was. In any case, it is not of great concern here because I was there.

MR. DIXON:

[Inaudible]

DR. WARRACK:

If the hon. member could just keep still for a second. The fact is that a very large number of extremely well-thought out and important recommendations and analyses were developed by that Task Force on Finance, chaired by the hon. member for Calgary North Hill.

The primary recommendation from that report and from that work has now been implemented as The Alberta Property Tax Reduction Plan, but there is a great deal of additional excellent work that remains for further consideration and this, of course, will happen.

MR. DIXON:

Mr. Minister, let's get down to cases. Apparently the Western Stock Growers were not satisfied with what you gave them at the time because they were apparently unhappy that the chairman would not discuss it with them, and they said they were going to take their case further after the conference was over. And you tell me you spoke at the conference.

DR. WARRACK:

Right.

MR. DIXON:

I can't understand if you spoke at the conference and you are telling me they were happy, why in heaven's name would they want to go beyond the conference to further negotiations with the government? Apparently they were not satisfied with your reply and were discouraged that the hon. chairman of the Task Force would not deal with them. I think my query is a reasonable one. Now why would they want to go beyond the conference after you told them what you were going to do? Apparently you didn't tell them what you were going to do.

MR. BUCKWELL:

Mr. Chairman, I would like to say a few words on this matter.

MR. CHAIRMAN:

Mr. Buckwell, is this still on the same topic? Mr. Sorenson is waiting with the new one. Go ahead with the same topic.

MR. BUCKWELL:

First, I would have to say I don't blame the minister for trying to raise as much revenue as he can. But I would like to know just how much additional revenue he is going to raise by having these additional fees? I don't know, in listening to him, whether I was watching rather than listening what he was saying, but I think what he said this afternoon when he reads the report over in Hansard, that it will strike maybe fear and apprehension in many a rancher today as to just what is going to be the outcome or what is going to be the use of public lands in the future.

I have nothing against these studies. In fact, this seems to be the thing today, if you don't know what to do, we'll have a study. And then when the study comes in, you have to study it again, and have another study on the studies. But we have, for example, the Department of the Environment are promoting studies on the eastern Rockies area along that area; the Department of Lands and Forests has a study, the Department of Agriculture has studies -- and I say, I don't know actually what they are studying, but they are trying to get some information. And I would suggest, Mr. Minister, that while you have to carry on the day-to-day operation of your department, the other departments as well, that no major decision be made on any land until this land use policy, land use forum, reports back to the government. There is no point in having for example, a debate on this land use forum. It ended up as a total land use forum. And this does not say whether environment has a certain amount of area, the parks have a certain amount of area, the Department of Lands and Forests. Let this land use forum look at all uses of land from all departments and every walk of life. And then report back to the government.

And I suggest, Mr. Minister, that we have no major policies on land use until this forum reports. Otherwise, you are going ahead with your department, the Department of the Environment is going ahead in its own sweet, merry way and we're going to have a hodgepodge of land use in the future. And it could be quite contrary to the land use forum. I believe public land is in the interest of all the people of Alberta. The idea today that because recreational groups will pay more for a certain type of land and take it away from grazing -- 10 years from now they might throw the land up -- we have to look at the long term leases. If we are going to do what the Minister of Agriculture suggests and supply the rest of the world with red meats, we are going to need all the grazing facilities we have and all the grass we have. Let's just cool it as far as the ranchers are concerned and the apprehension they must feel from some of the remarks they have made.

DR. WARRACK:

Just briefly, Mr. Chairman, I wanted to say that I very much share the concern of the hon. member with respect to the problem of assured long-term supply of public land for grazing purposes. Secondly, I think his suggestion that the matter of the use of public lands, either for grazing purposes as he suggests now, versus other contemplated purposes, would be a very timely topic for discussion within the Alberta Agricultural Land Use Forum.

MR. FRENCH:

Mr. Chairman, listening to the remarks of the minister this afternoon, I wonder if he is aware of the fact that about two years ago there was an adjustment made in the northern part of the province with respect to forage value. As you remember earlier this afternoon I indicated that at one time the

forage value in the south was 20 per cent -- this was the old formula we had for many years -- 16 and two-thirds in the centre and 12.5 in the north.

Two years ago this 12.5 was reduced to 10 which was a reduction of about 20 per cent. I fully realize that then it was cut in half pending the study. But listening to the remarks of the hon. minister this afternoon, I would gather that one reason that the increase has been 50 per cent in the central part and 50 per cent in the southern part and only 20 per cent in the north is due to some factor such as market values and a few of these things.

I want to ask him, are you aware of the fact that there was an adjustment of about 20 per cent about two years ago, to maybe take into consideration some of the things you talked about? And here we come along two years later and have some further adjustments.

What's bothering me more than anything else is, here we have a scientific study some years ago, and I'm worried that this scientific study has just gone out the window. I would hope that we could have some information that you are going to work on the scientific study and not just by market conditions and some of these things, because as far as the cattle industry is concerned, they have to know what their taxes are going to be. It's a long term basis and they can't be going into cattle unless they know what the end result is going to be.

DR. WARRACK:

Mr. Chairman, that is very readily cleared up. The 20, 16 2/3 and 12 1/2, for south, central and north, that the hon. member mentions is the result of the doubling in lieu of taxes that I mentioned at the outset. In other words, the 10, 8 1/3 and 6 1/4 -- if you double all three of them you get 20, 16 2/3 and 12 1/2. That was the doubling of the grazing royalties in lieu of taxes that was the arrangement by which these matters were handled prior to January 1, 1970. So that's where that came from.

MR. FRENCH:

Just following it through. We got the information on Friday that the forage value increased from 2 1/2 to 3, so when you go back and double that, 2 1/2 times 2 is 5 and 5 times 2 is 10. I still maintain it was reduced about 10 per cent two years ago.

MR. CHAIRMAN:

Any further questions?

MR. CLARK:

Mr. Chairman, I wonder if the minister would respond to the first question the Member for Macleod asked about the estimated amount of revenue the province will receive as a result of these increased rates?

DR. WARRACK:

I would have to calculate them. I don't have them off-hand.

MR. CLARK:

Would you do that?

DR. WARRACK:

Yes, sure.

MR. CHAIRMAN:

Mr. Sorenson, new topic? Go ahead.

MR. SORENSON:

Mr. Chairman, I'd like to make a few remarks about wildlife. Of course we realize the importance of hunting in our province, and to the people, and of course to non-resident hunters as well, it means revenue, recreation and it means food. You may be aware that they have recently named the road going through the central part of Alberta, the Greenhead Route, this is paying attention to the hunting of the mallard ducks and the flyaway. Hundreds of cars with hunters visit my area each fall and winter.

This past fall I heard such remarks as "Where are all the pheasants? It sure isn't like the old days," or "It's the predators" and I suppose there certainly does seem to be a shortage of birds in the last few years. There was a time when the migrating wild fowl spread from horizon to horizon, but not anymore. Now thousands of acres have been drained and placed into farming. Highways are cutting across our lands. There are building sites, oil and gas exploration and spills, roadsides and prairies are being burnt off in many cases.

What will save our wildlife? That is the question of importance. The Ducks Unlimited has been a very good program and I understand have spent some \$10 million in Canada since its inception a few years ago. Now we have a program called "A Buck for Wildlife" which I hope will help, and I'm sure it will. I think we need more game officers. I know that we would certainly like to see one in our area, perhaps situated at Hardisty.

I would like to suggest a plan and a plan that if accepted, I feel would go a long way in preserving wild life, a program that would involve our citizens from the very young to old as well as organizations of all kinds. I would like to call the program "Space for Wildlife". As human beings we have space for recreation and space for rest and so on, but has our wildlife this space? Maybe we could call it "That Wildlife May Prosper", or it could even be "A Friend of Wildlife".

How would it work? I think a space should be set aside throughout the province, perhaps on every farm. I would like to set aside a space on my farm for this program. A farmer could spare perhaps an acre, it could be more or less. He would plant it with grain and promise to leave it for a year. His livestock would be kept off, he would perhaps have to fence it and all that he would receive would be a plaque or a field sign stating that he was participating in a "Space for Wildlife" program.

Our young people could also be involved perhaps by the building of a birdhouse or so on. They could be acknowledged perhaps with shoulder patches -- that sort of thing.

When our winter storms blow across the prairies, that is when bird life, wildlife needs friends. He needs cover when he eats and especially when he is at rest. Some of our animals will store food for all winter but not our pheasants and our quail or our sharp tailed grouse. I think Alberta needs such a program where an individual, a group or an organization from a single youngster to a fish and game association can participate, can contribute.

I would also like to make a few comments on endangered species and perhaps all of us here are in that category -- I hope those people down south, or wherever they are that watch the buttons for the atom bombs don't get slap happy.

Last year I think I pointed out to the minister a number of species actually being endangered in our province. I dealt mainly at that time with the sharp tailed grouse. I think perhaps over the past year it has made a slight comeback. In my area I now see the odd one, but my concern again this year is with the grouse and also the hen pheasant. I just hope there will not be any hunting of hen pheasants in the province this year. They say that 70 out of 100 hen pheasants die between the period of after hunting season to nesting season. They die from predators, the winter storms, etcetera.

I gathered a few statistics on the whooping crane. In 1941 there were 15 of the whoopers, in '49 there was 34, in 1958 there were 32 that reached the refuge in Arkansas. In 1971 there were 59 that reported and in 1972 there were 51 whooping cranes.

Last year I presented the minister with a little painting on behalf of the endangered species and I think this year I would again like to just present him with a little memento on behalf of the endangered species. And I have here, made in my constituency, a little sculpture -- and there is not too many of them around -- but it is made by a master craftsman. I would like to present it just on behalf -- I mentioned last year that I do it because I like the birds. Well, I appreciate anyone who will look after our endangered wildlife.

Last year also I presented the minister with a petition from some 200 hundred sportsmen-fishermen in my constituency. Their complaint was that they had to travel over 100 miles to fish only to be disappointed when they arrived. They felt that the lakes that were the closest were being milked by commercial interests. I think perhaps the thing that gripped them most was the long, bumpy trip to and from the lakes.

DR. HORNER:

Where was Gordon Taylor's highway?

MR. SORENSON:

The whole area of east central Alberta is practically a non-fishing area. I would like to record for Hansard just a few statistics and comments from one of Alberta's largest fish and game associations, the Iron Creek Fish and Game Association. And I will also table this information if that is necessary.

There is a little pond just two miles south of Jarrow, it covers perhaps three acres. The water depth is 15 feet, it is spring fed. It was stocked in May of 1972 with 1,000 trout, just small trout. The trout did very well and grew rapidly. Fish to twelve inches in length were caught by mid-summer. Fish to 13 to 14 inches were caught by fall. The fishing pressure on Owen's Pond was heavy all summer. Many times there was hardly room for another fisherman anywhere around the pond. Almost any evening there would be up to 20 people around the pond, on holidays up to 50. They are hoping that it will be stocked again this spring.

Hubber Dam is two miles north, two miles east of Castor, it is a little larger than Owen's Pond, it is formed by a dam on a small creek. The water depth there is 22 feet or more and it has been stocked for two or three years and this fish pond is also well used and you will find up to 100 people here on weekends. One person caught a two pound rainbow trout last year. I would certainly like to urge the minister to press for another fish hatchery -- especially in the northern part of the province. We find that our work week is shorter, there is more time for recreation and farmers can hardly take off two or three days to go to the northern lakes. They would like to slip away for an evening or two of fishing.

My other remarks concerning fishing I think I will save for when the resolution comes up again.

DR. WARRACK:

First of all I would like to thank you very sincerely for the memento. It's a goose, and Mr. Sorensen is from goose country. I know that he says that with pride. As a matter of fact the picture of the grouse that you gave me last year hangs in my office and I'm rather proud of it. I think what I would say with respect to the space for wildlife suggestion made by the hon. member that I find it very appealing, and I might add that it has a dimension that I think goes beyond the 'Buck for Wildlife' program that has been discussed in the House. That additional dimension is the emphasis the hon. member puts on the idea of voluntary activity by the individual concerned person who has an opportunity to do something about it. As a matter of fact I would like to sit down with him and talk about it in more detail when we might have a chance. I would very much like to do that.

Generally with respect to the bird life, both upland game such as pheasants and grouse and water fowl, really what has been happening over a period of time is a gradual decrease in the wildlife habitat available for these birds in which they can live and reproduce. One of the things that they very much need -- as a matter of fact, so much like people -- is some good clean environment in terms of the water, the air and also space as the member suggests.

As a matter of fact in the case of the grouse one of the most serious deletions from the habitat available for them has been the farming up of their traditional dancing grounds. This is a behavioural thing that this particular upland bird game wildlife species goes through, and it must be completed in a manner satisfactory to both partners, I guess, in order for the subsequent reproduction to happen. There have been fewer and fewer of these dancing grounds available as a result of more and more intensive farming, and that indeed has created a problem more and more.

It happens only a little bit each year, but after a long period of time it adds up to a very substantial impact, as the hon. member mentions. This is also true for pheasants and, of course, one of the things happening in Southern Alberta is that the newer techniques for transporting and using water in irrigation systems are more efficient, and more efficient use of water means there is less water overflow to go into some of the other areas that grow bush and so forth for excellent pheasant habitat. As we get greater and greater efficiency in irrigation operations, instead of a ditch with willows on it, and down in terms of height from there, bush areas which are the gathering ponds for water that is lost, we are seeing concrete ribbons more and more where the

amount of water lost is very, very small. Of course the consequence is that we no longer have the willows and the other brush that is excellent cover for the pheasant habitat.

It might be worthwhile to mention in that regard, as a matter of fact, there were simply no pheasants in Southern Alberta prior to irrigation. So if we go all the way back in history there really wouldn't be pheasants in Southern Alberta. But in the intervening period when irrigation came with its contributions to Southern Alberta so, too, came the habitat that was perfect for pheasants.

With respect to mentioning hen pheasants specifically in 1971 the season on hen pheasants had been -- as I think has been discussed in the House before -- opened for the entire duration of the pheasant season. In other words, it was open for hen pheasants as for cock pheasants. The problem with that is that late in the pheasant season as the weather gets colder the hens tend to covey or cluster. When that happens you can hit more than one with one shot. The second thing that they do, as a matter of their behaviour, is they don't scatter nearly so much after having been shot at. So the result was a considerable peril to the pheasants because of that lengthened season that lasted in 1971 for exactly the same period of time for hens as for cocks. In 1972 we did cut this down so that it in fact only lasted for less than half of the total pheasant season and with considerably better results.

The hon. member makes the point that there is a need for more game officers. And the more people who make that point, the happier I am because I agree with you. There will be an additional six game officers in the province given that we approve the budgetary considerations before us at this time. So that is in the proper direction although we might both argue that that is hardly enough.

I would just refer further at this time, very briefly, to the matter of fish hatcheries where we will have an increased capacity to stock, once the fish hatchery is in full and proper operation. I would have to admit that we are a little concerned about 1973 in terms of the fact that it is the first year of production and if we get some serious shakedown problems we may have difficulty reaching the intended goals. I think hon. members will recall it being discussed, on Dr. McCrimmon's resolution, that it was intended the fish hatchery would be completed some considerable period of time ago but difficulties that arose during construction and so forth, had delayed it so we are looking at it going into operation this spring. We are hoping we will be fortunate enough to have full production in 1973. From there we will be able to judge the 'whens' and 'wheres' with respect to the possibility of additional needed fish hatcheries in the future in Alberta.

MR. NOTLEY:

Further to the question of more game officers. It is my understanding that in 1970 or 1971 Fish and Wildlife announced plans to increase the number of officers by 30. I understand we are going to have six more this year, but could the minister advise how many we have at the present time, and whether or not the objective of 30 is going to be reached over a period of three or four years. Have you laid out plans for this -- whether it is a hit and miss proposition where you may increase it by six this year, but if the budget priorities are shifted you won't increase it necessarily next year, or whether or not you have a plan now to seek out people so that we do increase it by 30 over the next three or four years?

DR. WARRACK:

Mr. Chairman, the hon. member refers to 1970-71 I believe. Yes, I am afraid I really don't know what commitments the government made at that time because I wasn't here. So I am afraid I don't have any knowledge in that particular area. With respect to the number of game officers or wildlife enforcement officers we have now, it is about 100. So there will be in addition, six.

I guess I would take issue a bit with the contention that the decision on the number of additional wildlife enforcement officers be a priority budget decision year by year. I really don't think that is a hit and miss proposition in terms of the proper use of taxpayer money, and I would be inclined to suggest that is indeed a proper way to approach the priority for that particular item versus other problems we have to reconcile.

MR. NOTLEY:

This figure of 30, Mr. Minister, was brought to my attention by the local fish and game association in my constituency. Their feeling is quite strongly that there are just an inadequate number of wildlife enforcement officers, most especially on the north side of the Peace, but throughout the province as a whole. Apparently in 1970-71 the Fish and Wildlife Branch had indicated their -- or even announced plans -- they were going to increase their enforcement staff by 30. It was on the basis of this announcement that the local fish and game association determined their stand.

They felt it was a useful approach and their recommendation to me at the pre-session meeting where they submitted a brief, was that I should press for a minimum of six additional officers per year until this 30 figure was met. So I am pleased to see that you are increasing it by six this year, but my concern was to see whether or not that was part of a plan which would reach this objective at the end of three or four years or however many years it took.

MR. RUSTE:

Mr. Chairman, to the Minister. Is there any possibility of there being less fish for stocking this year than there was last year, because of the shake-down as you have mentioned?

DR. WARRACK:

I'm aware that there is a possibility. We think that with the pilot run that has begun now -- having begun about a week ago -- that we can preclude that possibility from happening, but I certainly can't be 100 per cent sure. The thing that makes me feel that if anything, we would have more than had been the case in the past, is that the capacity of the new fish hatchery is considerably beyond, well beyond the capacity we had before. So even if we had a very difficult time in terms of the percentage of capacity that came through production this year, we should still be beyond what we've had in previous years, but I just can't be 100 per cent sure.

MR. RUSTE:

Well, Mr. Chairman, if there was a shortage, could any steps be taken to import some to fill that gap? And secondly, could you consider stocking some of these places where there are small numbers in relation to the total output so they are sure of getting some.

DR. WARRACK:

I think on the first point, if we find ourselves up against a very serious situation, we'd have to look to the suggestion the hon. member makes.

On the second matter I would be doubtful if we'd be able to fulfil that additional need this year. But I would be hopeful in the longer term plan.

MR. BARTON:

Mr. Speaker, on the fish hatchery situation. Is there any chance that your department is going to change the decision on Crown surrounded areas where they could be utilized for fish farming, especially my area -- I have hundreds of little lakes that would be ideal for fish farming. Is the department considering any changes in this area?

DR. WARRACK:

Yes we are, Mr. Chairman. That's a very good point, as a matter of fact. There are really two viable alternatives in fish farming and one doesn't necessarily exclude the other. The two are really: first, the farm pond situation where some work has gone on, and a study we have on that conducted, I believe in 1971. It was underway in any case at the time I became interested in this area. The results of that were not as encouraging as most of us had hoped. But we are furthering our work in that area. The second alternative is the possibility of caged culture fish production. We have a joint effort now between the Department of Lands and Forests, Fish and Wildlife Division and the Department of Agriculture to work on that in the hope that we can find one additional source for rural development and for rural incomes, from the point that you make.

MR. BARTON:

The point that I meant concerned Crown-owned lands that surrounded small little lakes that are really 20 to 30 feet and are ideal for fish farming. I was wondering if you are moving in that area, if you will be leasing them or if they are going out for tender? I have hundreds of these little lakes in my constituency that could be utilized.

DR. WARRACK:

The problem is, Mr. Chairman, that it's really not clear that it is ideal. At least with the technology we have now. If this works out then this might be a very important area of production and additional value of production in the area the hon. member represents in the future.

MR. BARTON:

Will you try this in my area, I have some fishermen who are interested.

DR. WARRACK:

Sure.

MR. RUSTE:

Mr. Chairman, to the minister. And this deals with the representation I've had from a group, they call themselves rock hounds -- I guess you're aware of the group. They go out into park areas and many areas and pick up rocks, polish them, make souvenirs and so on. This group is pretty disturbed about the possible closing of the Drumheller Valley to them and I understand it's been closed to a certain extent.

Now what they would like to do is have a part of this left so they could go in. Certainly they are conservationists in the utmost sense. They don't want to litter any place, they are just interested in getting these things supplied there for what, to some of them, has become a trade. I think it's pretty important. Would you consider leaving an opening for them in this?

DR. WARRACK:

As a matter of fact, Mr. Chairman, I really don't have any knowledge of the nature of the problem in that area and I'd be enthusiastic about dealing with it if you could help me in terms of the nature of the problem and what action we might best contemplate. I'd be happy to do that.

MR. RUSTE:

I'll take it up with the minister then.

MR. CLARK:

I would like to ask the minister with regard to special permits from the forestry branch of the department. The first question deals with paying stumpage in advance. I am referring here, Mr. Minister, to a small timber operator who might have got 100,000 feet.

And then, if I could ask a second question which deals with the matter of a person who receives his permit in mid-November or very late in December, is he really able to get his operation going, shall we say, for one, two or three weeks following that? And it is my understanding that the permit expires either on the first or at the end of April -- I believe it is the first of April. And I have had two or three small timber operators discuss the problem with me as recently as last week.

The third question deals with the Bow Reserve itself. What is the outlook for small operators three or four years down the road? I appreciate there are some opportunities now, but it is my understanding, or I have been told by these small timber operators, it may well be that three or four years down the road there won't be any areas left for these operators to get these special permits in, because of the fact that a very large portion of the area is taken up by long-term lease on the existing program of sustained yields.

DR. WARRACK:

I am a little confused about the stumpage in advance. I am not aware of any situation where there is a payment of stumpage in advance. But this may



well be. On the other hand, we do have a deposit situation that goes with bidding for a timber berth. As a matter of fact, we recently lowered the extent of deposit that would be necessary, to make it more accessible to smaller and middle-sized operators.

I would have to check further. I guess that might go together with the matter of local timber permits since we have now amalgamated the previous miscellaneous and special permits that are available from local areas rather than one of them being from central headquarters. If there are some individual situations where they have concerns, I'd certainly be prepared to deal with them. Recognizing the time of year it is, we are prepared to deal with them as quickly as possible.

We are certainly managing the timber resources on a sustained yield basis. And as a matter of fact, I think it is pretty clear that the long-term forest supply prospects can be increased rather dramatically through proper reforestation practices. So we should be in a position of taking into account not only the long-standing lease agreements that exist with the Government of Alberta, but also the smaller timber operators and particularly the farm woodlot situations that are particularly good for the farmer who can do this in the winter, while farming in the summer. That is likely what you are referring to.

MR. CHAIRMAN:

Are there any further questions on this? Very well, we --

MR. HYNDMAN:

Mr. Chairman, I move that we now adjourn until 8:00 p.m. tonight.

MR. CHAIRMAN:

Is that agreed?

MR. CHAIRMAN:

Very well. We will reconvene at 8:00 o'clock tonight in committee.

[The Chairman left the Chair at 5:31 o'clock.]