

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, October 15, 1973

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 83 The Rural Gas Act

MR. FARRAN:

Mr. Speaker, I beg leave, seconded by the hon. Minister of Consumer Affairs, to table Bill No. 83, being The Rural Gas Act.

MR. SPEAKER:

It has been duly moved and seconded that Bill No. 83, The Rural Gas Act, be given first reading. Do you all agree?

HON. MEMBERS:

Agreed.

MR. LUDWIG:

On a point of order. The hon. minister asked to table the bill. He didn't move it.

[Interjections]

He probably doesn't know any better, Mr. Speaker. We'll forgive him.

MR. HYNDMAN:

Mr. Speaker, as hon. members obviously realize you don't table a bill, you introduce it.

MR. LUDWIG:

Then tell the minister not to table a bill but to introduce it. I know that, but does the minister know?

[Leave being granted, Bill No. 83 was introduced and read a first time.]

Bill No. 78 The Nursing Homes Amendment Act, 1973

MR. CRAWFORD:

Mr. Speaker, I beg leave to introduce Bill No. 78, The Nursing Homes Amendment Act, 1973. This will clarify some of the financial provisions for the funding of district nursing homes in Alberta.

[Leave being granted, Bill No. 78 was introduced and read a first time.]

Bill No. 84  
The Motor Vehicle Accident Claims Amendment Act, 1973 (No. 2)

MR. COPITHORNE:

Mr. Speaker, I beg leave to introduce Bill No. 84, The Motor Vehicle Accident Claims Amendment Act, seconded by my colleague, the Minister of Consumer Affairs.

This bill deals with the changing of the rate structure in insurance liabilities.

[Leave being granted, Bill No. 84 was introduced and read a first time.]

Bill No. 85 The Credit Union Amendment Act, 1973

DR. HORNER:

Mr. Speaker, I beg leave to introduce Bill No. 85, The Credit Union Amendment Act, 1973.

This act brings the Credit Union legislation into a more contemporary stance and in general revises it to accomplish the wishes of the Credit Union Federation.

[Leave being granted, Bill No. 85 was introduced and read a first time.]

Bill No. 86  
The Municipal Taxation Amendment Act, 1973 (No. 2)

MR. RUSSELL:

Mr. Speaker, I beg leave, seconded by the hon. Minister of Public Works, to introduce a bill, being The Municipal Taxation Amendment Act, 1973 (No. 2).

The purpose of this bill, Mr. Speaker, is to correct the procedures whereby municipalities compute allowances for discounts or uncollectable taxes when they are levying the school foundation plan. It relates to the amount of levy that is refunded to the homeowner by way of the Education Foundation Plan.

[Leave being granted, Bill No. 86 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. CLARK:

Mr. Speaker, it is my privilege to introduce to you, and through you to the members of the Assembly, a group of students from the Carstairs High School who are sitting in the public gallery. These students are from the high school social studies class. They are accompanied by their teacher, Mrs. Garossino, a number of parents and friends. I'd ask them to rise at this time and ask the members of the Assembly to welcome them in the usual manner.

FILING RETURNS AND TABLING REPORTS

MR. FARRAN:

Mr. Speaker, I beg leave to table - not introduce - the manual for establishing rural natural gas systems, a companion to the bill I introduced for first reading a few moments ago. It's entitled Natural Gas for Rural Alberta. It's part of the government's plan to deliver natural gas to the 20 per cent of Albertans who presently do not enjoy its benefits.

## ORAL QUESTION PERIOD

Strikes - Plumbers

MR. CLARK:

Mr. Speaker, I have two questions. First, Mr. Speaker, I'd like to ask the Minister of Labour to tell the House of the progress, hopefully being made, in dealing with the plumbers' strike.

DR. HOHOL:

Mr. Speaker, the plumbers' strike is one of some duration at the present time. The most recent sequence of events is as follows:

We appointed a mediator from the private sector, a man of recognized competence in this area. For the last two weeks, plus, he has been attempting to mediate the dispute.

At the invitation of the Union, I met with them three days after the strike began and reviewed the situation with them as they saw it.

Again, at the invitation of the Alberta Construction Labour Relations Association, they met with me last Thursday and we reviewed the dispute from their point of view.

I discussed this matter this morning with the negotiator for the Union in Calgary and again thereafter with the President of the Alberta Construction Labour Relations Association. In an endeavour to bring the two parties closer together, the conclusion of our exchange of meetings and telephone calls was that every attempt will be made for the parties to return to the table with the mediator to see what further progress will be made in this dispute.

MR. CLARK:

Mr. Speaker, a supplementary question to the minister. When will the two parties be sitting down at the table again? Today?

DR. HOHOL:

Prediction in the area of collective bargaining is such that I would have to respond that I would hope it may be today. I would doubt that they can get themselves organized in time to meet today, but certainly as soon as possible and not excluding today, but I couldn't make that commitment.

Alberta Labour Act

MR. CLARK:

Mr. Speaker, one more supplementary question to the minister. In light of the decision made by the courts of the province last week on the legality of rotating strikes, does the government plan to introduce legislation at this session to [amend] The Labour Act as a result of that judicial decision?

DR. HOHOL:

An excellent question, Mr. Speaker.

One of the things that we must do first and I'm sure the hon. Leader of the Opposition will appreciate this, is to study in quite some detail the meaning of the court's decision and the judgment by the Board of Industrial Relations preceding that judgment by the courts on the appeal.

Until we are clear on the meaning and the basis for the judgment of the courts and that of the Board of Industrial Relations, it would be difficult to make any precipitous judgment with respect to amendments to The Labour Act.

Energy Resources Conservation Board

MR. CLARK:

Mr. Speaker, a question to the Premier.

Mr. Speaker, in light of the decision arrived at by the Energy Resources Conservation Board last week concerning the constitutional issue raised by the

Province of Ontario, my question to the Premier is, does the government have a contingency plan he is prepared to lay before the Legislature or table at this time dealing with this particular issue?

MR. LOUGHEED:

Mr. Speaker, it would appear the hon. Leader of the Opposition has not been fully apprised of the nature of the decision by the Energy Resources Conservation Board, because it doesn't deal with the question of constitutionality.

What the Board has done is make an assessment at the request of the government as to whether or not there need be any change in the permit as a result of the fact that the permittee, Consolidated Natural Gas, found itself without a Canadian export permit, and hence entered into arrangements with TransCanada Pipelines.

It was our view that with regard to The Gas Resources Preservation Act, for that Act to have any meaning and sense within the Province of Alberta, that because of the magnitude of the arrangements, that those arrangements should be reviewed to see whether or not any advice should be given to the Executive Council.

That review has now been completed and provided to the Executive Council and is on the cabinet agenda for tomorrow. The question of the constitutional matter there, in our view, has already been answered in this House. We are satisfied with the constitutional position we have under The Gas Resources Preservation Act.

MR. CLARK:

Mr. Speaker, supplementary question to the Premier then.

Is it fair to say that the province has no contingency plan on this particular constitutional issue?

MR. LOUGHEED:

Mr. Speaker, that's absolutely wrong.

MR. SPEAKER:

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

#### National Energy Policy

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Premier.

In addition to your August meeting, what progress has been made to date on a national energy policy developed in concert between Ottawa and the provinces?

MR. LOUGHEED:

Mr. Speaker, perhaps we could have the hon. member elaborate on the "August meeting?"

MR. WILSON:

Mr. Speaker, to answer the Premier's question, I was referring to the August conference in Charlottetown he mentioned in his speech the other day.

MR. LOUGHEED:

Mr. Speaker, the position taken at Charlottetown by the premiers - and the letter, written by Mr. Campbell, the Premier of Prince Edward Island to the Prime Minister in late August as a follow-up to the meeting in early August in Charlottetown stated that the premiers of Canada were interested in holding a national energy conference. During the Western Economic Opportunities Conference the matter also came up, at which time I asked the question of the Prime Minister with regard to the timing of such a national energy conference, and whether or not there was still anticipation that it would be held in the course of the fall.

The response was given by Mr. Macdonald, the national minister of energy, to the effect that fall might be a bit early and that it might be in 1974. The position taken by the premiers was, of course, that if there is a national energy conference it not include matters regarding either price or in any way question the jurisdiction of the resources of the provinces. Those were the two qualifications made in Charlottetown.

Since that time, on October 3, the matter was raised again in discussions that I had with Mr. Macdonald, the federal minister of energy. It was generally agreed that such a national conference on energy of first ministers would probably not occur before the late spring of 1974.

Of course as a province, we are prepared to participate in such a conference of first ministers on energy at any time, provided that appropriate advance organization is made available to us and to the other provinces.

But the feeling I believe of some provinces and certainly the feeling of the federal government at the moment is that the conference would be better aimed towards late spring, 1974.

I understand that the ministers of mines will be meeting in Toronto, I believe on November 23 - which must be a relatively happy date - in order to have preliminary discussions about these energy matters.

MR. WILSON:

Supplementary, Mr. Speaker, to the hon. Premier. As far as the Alberta government is concerned, in relation to a national energy policy as distinct from a conference, is the state of threats and confrontations over?

MR. LOUGHEED:

Mr. Speaker, the hon. member may refer to it as threats and confrontations. We refer to it as a sequence of events which we do not think have been in the Canadian public interest. That sequence of events is probably one of the most important aspects of the National Energy Conference as we saw it [as] was the decision as to whether or not there was a need to consider a federal export tax on crude oil. Certainly it was our view that that was one of the major policy alternatives contained in the energy analysis that was presented by the federal government in late June.

We were given to understand, in fact have tabled a document in this House in March, 1972, that there would be no decisions made by the federal government of any significance. Certainly, the matter of a federal export tax - without full consultation with the Alberta government - on crude oil is of major significance to the government that owns about 80 per cent of the crude oil involved.

In this particular circumstance we of course felt, and I believe most Albertans feel, that due to the absence of consultation, that although our objectives are somewhat similar as noted in the statement tabled in this House dated October 4, we felt that there may have been other ways that we could have examined it. For that reason, we as a government feel that we have no choice but to respond in the way we have.

We think it imperative that the Government of the Province of Alberta be in the position to be able to control the important oil and gas resources of this province. And the hon. member may wish to refer to it as a matter of "threats and confrontations" but I refer to it as a very significant and important position taken by the Government of Alberta to protect its jurisdiction and the future of the oil and gas industry in this province for the benefit of the people of Alberta.

MR. WILSON:

Supplementary, Mr. Speaker. Has the Alberta government assured the Ontario government that it will not be left without a gas shortage this winter?

MR. LOUGHEED:

Mr. Speaker, there was a very important meeting that dealt with that subject, held this morning, and I refer it to the hon. Minister of Federal and Intergovernmental Affairs.

MR. LUDWIG:

A supplementary to the hon. Premier ...

MR. SPEAKER:

Order.

MR. LOUGHEED:

Mr. Speaker, I referred the question ...

MR. GETTY:

Mr. Speaker, to refer to the meeting this morning, it was a meeting at the request of the Government of Ontario, the Hon. Darcy McKeough, the Minister of Energy for the Province of Ontario, who came with the view of discussing all matters regarding energy, the whole picture. It has been his and our desire to keep communications open on energy matters and events taking place in Canada, keeping in mind that it is one of the major user provinces, and of course, Alberta the major production province.

So we had a very good meeting, one which I felt allowed us to progress considerably. As a matter of fact the meeting lasted almost twice as long as I originally anticipated it would because it progressed so well.

One of the issues brought up was, would the consumer, the individual home owner in Ontario, suffer this winter as a result of problems regarding a monopoly buyer in the Province of Alberta refusing to pay a fair price. The Ontario minister felt that no, the consumer in the province would not face a natural gas shortage this winter.

There were other matters which we also discussed, we were able to come to some resolution of a variety of issues. We were able to identify some subjects in which it appears there could be broad agreement reached between Ontario and Alberta. There were some on which we were unable to agree. I think it was a useful meeting and we have agreed to meet again in the first week in November. I think each of us will use the intervening time to solidify those areas where we can potentially reach agreement. Perhaps if the Provinces of Ontario and Alberta with their unique roles in Canada can reach agreement we may be able to assist in some way to help resolve some of the national issues that exist these days in our country.

MR. SPEAKER:

The hon. member ...

MR. TAYLOR:

Mr. Speaker ...

MR. SPEAKER:

Order please! We have had a considerable amount of the question period on this topic. It would seem that the rather lengthy nature of the questions and the answers are to some extent anticipating later debate on the topic.

But for the time being, the hon. Member for Calgary McCall, followed by the hon. Member for Cypress have supplementaries and then perhaps we could go to another topic.

MR. HO LEM:

Thank you, Mr. Speaker. A supplementary to the hon. Premier. Since the government has committed itself to extensive consultation with the oil industry for the purpose of developing a new energy policy, is the Premier prepared to allow individuals or organizations to make representations to the provincial government, either through public hearings or hearings in the Legislature, to present their views on the subject?

MR. LOUGHEED:

Mr. Speaker, if the hon. member would refer to the document that I tabled in the Legislature last Wednesday, dated October 4, all the answers to that are set out.

First of all the answer is clear that in our view there would not be public hearings. We felt the matter was dealt with at length in May, 1972, in this Legislature.

Second, however, not just the oil industries but any other interested groups' views would be sought and, as the document of October 4 said, the Minister of Mines and Minerals would welcome them.

Third, it should not be misunderstood that the nature of that consultation would have to do with national energy policies. The nature of that consultation has to do with first, new oil and gas legislation that reflects a revised royalty system as mentioned in that statement, second, a new royalty schedule and third an incentive plan. Those were the three aspects of consultation. It didn't have anything to do with national energy policy.

MR. SPEAKER:

The hon. Member for Cypress with a supplementary.

MR. STROM:

Mr. Speaker, I would like to direct my supplementary question to the hon. Minister of Federal and Intergovernmental Affairs and ask him if he is the sole bargaining agent for the government in energy matters. Or is the Minister of Mines and Minerals included in the discussions?

MR. GETTY:

Mr. Speaker, there is no question that we have the team approach over here. We are all together as a matter of fact.

Mr. Speaker, if I neglected to, I should have mentioned that the meeting with Mr. McKeough was a meeting between myself and the Minister of Mines and Minerals who has, of course, always been involved in all these issues since they are directly within his responsibilities.

MR. LUDWIG:

A supplementary, Mr. Speaker, ...

MR. SPEAKER:

Possibly we could come back to this topic later.

The hon. Member for Calgary Millican, followed by the hon. Member for Lac La Biche-McMurray.

#### Gas Exports

MR. DIXON:

Thank you, Mr. Speaker. My question is to the hon. Minister of Mines and Minerals. Last Friday during the question period the hon. minister said he would like to defer my question regarding gas supplies for Alberta and possible assistance to the Province of British Columbia in case of a shortage. Now, as the Government of British Columbia has had representatives in Alberta I was wondering if the minister would be in a position to know whether they are going to give Pan Alberta Gas the green light to export any surplus gas to British Columbia they may need?

MR. DICKIE:

Mr. Speaker, I did take the question under notice and we are getting additional information so that we can furnish all the details to the hon. member. But I would like to assure him at this time that there have been discussions between representatives of the British Columbia and Alberta governments, with Pan Alberta and Alberta Gas on the supply of gas from Alberta to British Columbia.

MR. SPEAKER:

The hon. Member for Lac La Biche-McMurray, followed by the hon. Member for Drayton Valley.

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Syncrude

DR. BOUVIER:

I would like to direct my question to the Minister of Mines and Minerals. This is for clarification purposes with regard to the Syncrude agreement that was tabled last week. Do I understand correctly that for the first five years after the start of production unless the company shows a profit, which it is not expected to do, there are no royalty benefits likely to be received by the people of Alberta?

MR. DICKIE:

Mr. Speaker, I have a little difficulty in dealing with the interpretation of a clause in the agreement, and I wonder if this is the best place to deal with the interpretation of the agreement.

MR. SPEAKER:

The hon. Member for Drayton Valley, followed by ... . Is this a supplementary?

DR. BOUVIER:

Will the minister then say when he is prepared to deal with clauses in the agreement?

MR. DICKIE:

Well, Mr. Speaker, I am prepared at any time to deal with the letter of intent and any clauses in it. The only question I raise to you, Mr. Speaker, is whether this is the proper place to deal with the interpretation of clauses in the letter of intent between the government and Syncrude participants?

DR. BOUVIER:

Mr. Speaker, I don't see this as an interpretation of a clause. I am just asking whether there are going to be any royalty benefits for the people of Alberta during the first five years after the start of production.

MR. SPEAKER:

The hon. Member for Drayton Valley followed by the hon. Member for Edmonton Kingsway.

Cattle - Vaccine

MR. ZANDER:

Mr. Speaker, I have a question for the hon. Minister of Agriculture, the Deputy Premier. Will the vaccines that were available to the United States cattlemen be available for the Alberta cattlemen in 1974 to avert the losses that occurred in the calf crop of 1973?

DR. HORNER:

Mr. Speaker, I think the hon. member is referring to a vaccine developed in the United States for the treatment of what is commonly known as calf scars. The vaccine is being evaluated by the Health of Animals division of Canada Agriculture.

My veterinarians are also have a close look at it. There is some doubt in the minds of people who are authorities in the area as to whether or not the vaccine is a worthwhile solution to the problem. Ongoing studies, both through the cattle commission and in the department, are being done to see whether or not we can't come up with a package for Alberta cattlemen that will control this particular disease.

MR. SPEAKER:

The hon. Member for Edmonton Kingsway followed by the hon. Member for Cypress.



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Second Language Teaching

DR. PAPROSKI:

Thank you, Mr. Speaker. A question to the hon. Minister of Education. What is the hon. minister, or the Department of Education, doing now to increase assurance and ease of availability of language instruction and study in languages other than English and French for all junior and senior high school students across the province?

MR. SPEAKER:

The hon. member's question is one that could involve an answer of considerable scope, but if the minister feels that the subject matter could be dealt with briefly perhaps we might go on with it.

MR. HYNDMAN:

Briefly, Mr. Speaker, the department has developed courses in German, Ukrainian, French and Latin. School boards have developed courses in Lithuanian, Polish and Italian. Generally where there is local interest, local boards will provide various courses.

Over the last two years there has been a marked increase in student participation, oral and written, in second languages in the province.

MR. LUDWIG:

A supplementary to the hon. minister, with reference to a Calgary University article. When are you going to start providing the English language in the high schools?

MR. SPEAKER:

Order please. The hon. Member for Edmonton Kingsway with a supplementary.

DR. PAPROSKI:

Would the hon. minister comment on this item? Has he considered utilizing language teaching centres in various areas of the province in schools and/or classrooms that are not being utilized?

MR. HYNDMAN:

Not specifically, Mr. Speaker, but I would be happy to get more details as to the proposal from the hon. member and look into it actively.

DR. PAPROSKI:

A final supplementary, Mr. Speaker. There has been concern expressed that the Ukrainian language correspondence course is not receiving adequate administrative support in your department. Has he looked into this area, and has this been corrected at this time?

MR. HYNDMAN:

I would like to get details of that, Mr. Speaker, and if there is a problem we will correct it right away.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Can the minister advise the Assembly whether or not the funding of those languages being developed by school boards will be covered from the Department of Education?

MR. HYNDMAN:

I think that depends, Mr. Speaker, on the kind of course that is being developed. Some would be funded out of the general revenues which school boards receive. For others, depending on the extent to which the program is new or different, there might be funding available. Certainly there would always be departmental expertise and consultative services available to school boards, if they wish.

MR. SPEAKER:

The hon. Member for Cypress followed by the hon. Member for Calgary McKnight.

Offshore Oil Revenues

MR. STROM:

Mr. Speaker, I would like to direct my question to the hon. Minister of Mines and Minerals. Could he tell the hon. members what the government's position is regarding the sharing of revenues from offshore oil, and I am sure you know what I mean when I refer to "offshore oil"?

MR. DICKIE:

Mr. Speaker, I think the Minister of Federal and Intergovernmental Affairs tabled a reply in the House to that and I'm sure he'd be pleased to deal with the question.

MR. GETTY:

Mr. Speaker, I would only say that the hon. member now asking the question did, in fact, place on the Order Paper that request and received an answer, so I assumed he had the information he was seeking.

MR. STROM:

Mr. Speaker, can I ask a supplementary question then to the hon. Minister of Mines and Minerals?

Have there been any recent discussions with the federal government in regard to this particular subject, or is the provincial government contemplating discussions with the federal government?

MR. DICKIE:

No, Mr. Speaker, there haven't been any discussions with the federal government. There were discussions on this at the Mines Ministers' Conference, but the provincial government wasn't directly involved. It is not contemplated that we would have further discussions with the federal government on this question.

MR. STROM:

Mr. Speaker, a further supplementary. Is there any likelihood of this becoming a subject for discussion at the ministers' conference referred to by the hon. the Premier just a few minutes ago?

MR. DICKIE:

Mr. Speaker, in answer to that I would say that the Mines Ministers' Conference, a federal-provincial conference of mines ministers, is scheduled for November 23. At that time, prior to the meeting the deputy ministers will be meeting and arranging for an agenda. It was left at the last meeting that any of the provinces wishing to have items placed on the agenda could do so as well as the federal government, and I think one of the provinces vitally interested in that question felt that it may have it placed on the agenda.

MR. NOTLEY:

Mr. Speaker, a supplementary question. I wonder if the hon. Premier could advise the Assembly whether or not this specific subject was discussed at the Premiers' Conference in Charlottetown and, if so, what position our government took.

MR. LOUGHEED:

Mr. Speaker, my recollection is that it was not specifically discussed, except in an indirect way, under the item under energy. There were prior meetings held between the four Atlantic provinces with Quebec which did discuss the issue. But there was a general feeling, although it came in incidentally in terms of discussions in the matter of energy, that at this stage it would be a matter of discussion primarily between the federal government and the four provinces most intimately involved, with the recognition that in due course it

would probably be discussed at a meeting such as the Minister of Mines and Minerals just responded to.

MR. SPEAKER:

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

Employment - Over 45

MR. LEE:

I have a question for the Minister of Manpower and Labour. Could the minister report to the House on progress in the presentation of an employment service in the Calgary area for those over age 45 who encounter difficulty in finding employment by more traditional methods?

DR. HOHOL:

Yes, Mr. Speaker. Following a successful venture by a private group in Edmonton called the Over 45 Group, who were at the time of their banding together unemployed, this program drew attention and interest from other quarters, Calgary in particular. People from there had discussions with people in our Manpower division of the department and also with the staff of the Public Service Commission.

Following these discussions, we in government felt that we would move to the approach called the Request for Proposal, and we had an important number of proposals by people from Calgary whereby they would assist people over 40 in obtaining employment.

The criteria for selection were worked out in conjunction with the people who have had a good deal of experience here in Edmonton as the Over 45 Group, our Manpower people and the staff of the Public Service Commission. The list of proposals has been studied, a judgment has been made. There will be an announcement shortly with respect to the program, its beginning and application in the City of Edmonton.

MR. WILSON:

A supplementary, Mr. Speaker. Could the hon. minister advise, in light of their success with involvement of the private sector in providing manpower, if they withdrew financial support of the Gateways project in Calgary?

DR. HOHOL:

I'm not that familiar with the Gateways project in Calgary personally, but I can take the question under advisement and give the hon. member information later.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation followed by the hon. Member for Calgary Mountain View.

Native People - Employment

MR. SORENSON:

Mr. Speaker, my question is to the Minister of Manpower and Labour. Has your department formulated a definite policy regarding the training and hiring of Natives for the construction and operating stages of the new oil extraction plant?

DR. HOHOL:

Mr. Speaker, in some respects my [answer] would follow the same category as that of my hon. colleague, the Minister of Mines and Minerals. I am prepared to deal with it, but it may be that a comprehensive discussion of the agreement would fit another part of the proceedings rather than the question period.

MR. CLARK:

A supplementary question, Mr. Speaker, to the minister. Mr. Minister, can you give us some indication ...

MR. SPEAKER:

Would the hon. member kindly address the Chair, in the third person.

MR. CLARK:

A supplementary question to the minister, Mr. Speaker. Could the minister tell us what percentage of Native people he expects to have employed on the Syncrude project? What is the target? Is it 10 per cent or 50 per cent?

DR. HOHOL:

Mr. Speaker, this would be completely impossible to do. The proportion will depend a great deal on the number of people who are trained, or who can work at jobs which will be available at the level of their training as it exists today. The circumstances are the kind that will utilize every person in the immediate location to the fullest possible extent. This includes the Native people, as well as the Metis and the white.

MR. NOTLEY:

A supplementary question. I wonder if the hon. minister could advise the Assembly when we might expect an announcement detailing a comprehensive manpower program including some of the recommendations in the Manpower and Utilization report, tabled several days ago in the House?

DR. HOHOL:

Mr. Speaker, that document itself is a pretty major and important one. It outlines in specific terms the objectives and policy we hope to be the practice of this government with respect to the question before us.

If further kinds of information appear to matter, we would be happy to try to respond to specific questions in the context of that particular project.

MR. SPEAKER:

We are getting on in the question period. A number have not yet asked their first question. Perhaps we could go to another topic.

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

#### Syncrude Negotiations

MR. LUDWIG:

Mr. Speaker, my question is to any member of the team referred to by the hon. Minister of Intergovernmental Affairs. Whose responsibility was it to request advice, information, or some commitment from the federal government with regard to the Syncrude negotiations with the Province of Alberta?

MR. GETTY:

Mr. Speaker, I am not quite sure of the ending of the question. Would the hon. member repeat it please?

MR. LUDWIG:

Mr. Speaker, I am referring to the negotiations between Ottawa and Alberta with regard to any tax concessions in the Syncrude agreement.

Which member of the team, either the minister or the hon. Premier or the Minister of Mines and Minerals, was responsible for liaison and requesting information from the federal government?

MR. GETTY:

Mr. Speaker, immediately upon the announcement of the Syncrude agreement the Premier notified the federal government, by writing to the Prime Minister, providing him the agreement. He completed his letter with the point that appropriate ministers would follow up points that were necessary to be followed up.

On the tax issue, the Provincial Treasurer followed up with the federal government and has been in contact with the federal Minister of Finance.

MR. LUDWIG:

Mr. Speaker, I'm concerned about any prior consultations with Ottawa, particularly any requests for consultation. I understand that the negotiations between the provincial government and Syncrude were going on for many months.

Has any request been made for any input, or any commitment from the federal government, before the signing of the agreement with Syncrude and the provincial government?

MR. LOUGHEED:

Mr. Speaker, if the hon. member would refer to the Hansard record of last week, he will see the answer to his question.

MR. LUDWIG:

Mr. Speaker, I did refer to Hansard of last week. There was no answer to this question. If the Premier thinks he has answered it, let him repeat the question.

MR. SPEAKER:

The hon. Member for Calgary McCall ...

Order, please. There is a difference of opinion as to whether or not a statement constitutes an answer. The Chair can't enter into that.

MR. LUDWIG:

Supplementary question to any one of the ministers, either the hon. minister, Mr. Dickie, the hon. minister, Mr. Getty or the hon. Premier.

Is it correct then to assume there was no request by the provincial government for any consultation or any stand by the federal government with regard to the Syncrude-Alberta Government agreement prior to the signing of the agreement?

MR. SPEAKER:

The hon. member is repeating the self-same question.

The hon. Member for Calgary McCall followed by the hon. Member for Pincher Creek-Crowsnest.

Calgary --- Two Price Gas

MR. HO LEM:

Mr. Speaker, I would like to direct a question to the Minister of Consumer Affairs. Has the minister taken the initiative to study the problem of the City of Calgary concerning the two-price level of gas between standard service stations and that given by the gas bars as proposed?

MR. DOWLING:

Yes, Mr. Speaker, we've undertaken a study of the entire situation regarding gas marketing from the standpoint of retailing and wholesaling gasoline. The task was undertaken by a task force under the chairmanship of Mr. Cal Lee. We will be receiving his report very shortly. We will be analysing it and I would assume that in due course it will be tabled.

MR. SPEAKER:

The hon. Member for Pincher Creek-Crowsnest followed by the hon. Member for Spirit River-Fairview.

Farmers --- Freight Aid

MR. DRAIN:

Mr. Speaker, my question is to the hon. Minister of Agriculture. Can the hon. minister advise the House whether his department is considering any hay freight assistance to the farmers in southwest Alberta?

DR. HORNER:

Yes, Mr. Speaker, we're able to advise the hon. member that a freight assistance program will be in effect in all areas of the province where it is required to move feed to livestock. In addition to that, we do have limited amounts in an early start to our forage bank which might be made available to producers in that area.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview followed by the hon. Member for Medicine Hat-Redcliff.

OPEC Relations

MR. NOTLEY:

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

Could the Premier advise the House whether the recent delegation which met with Arab representatives, constitutes an attempt to open informal relations with the OPEC countries on a permanent, or at least an on-going basis?

MR. GETTY:

Mr. Speaker, it is not an attempt to institute relations with the OPEC nations.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Could the hon. minister advise the Assembly of the composition of the delegation and whether or not a report is planned to be tabled in the Legislative Assembly?

MR. GETTY:

Mr. Speaker, I'd be very pleased to take the question under advisement and prepare for the hon. member the details he requests.

MR. NOTLEY:

A further supplementary question, Mr. Speaker, to the hon. minister or to the Premier. In light of the present hostilities in the Middle East, has the government contacted the Department of External Affairs with respect to the question of the security of supply for oil shipped to the eastern Canadian market?

MR. GETTY:

Mr. Speaker, we have not discussed that matter as a result of the Middle East problem, the tragedy that is presently occurring.

In discussing broad energy issues over a period of two years, the question has at times come up as to the security of supply for all of Canada, understanding that there is a portion of Canada east of the Ottawa valley which now relies on off-shore imports.

However, we have not raised that issue since the outbreak of fighting in the Middle East.

MR. NOTLEY:

Mr. Speaker, one ...

MR. SPEAKER:

Might this be the final supplementary.

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Oil Pipeline to Eastern Canada

MR. NOTLEY:

It may.

Again, in light of the tragic hostilities in the Middle East, and also the Prime Minister's announcement in early September about an oil pipeline to Montreal, what is the official position of the Alberta government with respect to an oil pipeline to Montreal to service the eastern Canadian market, or the so-called Montreal market, with western Canadian crude?

MR. SPEAKER:

The hon. minister will know better than the Chair whether this is an answer the scope of which may be fitted into the question period.

MR. GETTY:

I'll try to deal with it briefly in this way, Mr. Speaker.

It has always been a position with the Government of Alberta that in energy matters Canadian interests have number one priority. We have expressed our view that in dealing with the Montreal market we'd be pleased to see a pipeline to Montreal for the security that might bring to Quebec and eastern parts of Canada, with the understanding that that market would be serviced with crude should it be available as determined by the Energy Resources Conservation Board and should it receive a fair commodity value so that the people of Alberta are not selling a product, a non-renewal product, at below fair value.

MR. SPEAKER:

The hon. Member for Medicine Hat-Redcliff followed by the hon. Member for Vegreville.

Crude Oil Export Tax

MR. WYSE:

Mr. Speaker, I'd like to direct my question to the hon. Premier. I'm not sure if the hon. Premier mentioned this previously in the House, but what percentage or portion of the federal government's export tax on crude oil did the federal government actually indicate it would reimburse to Alberta?

MR. LOUGHEED:

Mr. Speaker, we took the position, of course, that from a jurisdictional point of view they are just basically wrong with their export tax. It is an invasion of provincial jurisdiction.

If I haven't answered, let me try to put it this way. Indications we got were that they are looking at remitting to us in the neighbourhood of the amount of the existing royalty some 22 per cent. We take the view that really that is a pretty questionable issue because they could take the view today that we would get, say, 80 per cent of it and then they could change it and make it 25 per cent next spring. They could do it just as unilaterally as they brought it in on September 4 and September 13, or they could say it's not 40 cents, it's 80 cents. They could be as unilateral about the 40 cents as they were on September 4 or September 13.

So there is a very fundamental position, from our point of view, in terms of the question of jurisdiction that's involved here. We reject the concept of a federal export tax on Alberta crude oil. We do accept the purpose - as I mentioned in my document tabled in the House on October 4 - that if we're trying to protect Canadian consumers from paying prices which are caused by artificially high prices in the United States that may develop out of, say, the foreign policy of the United States, but that's certainly a different matter. We're prepared as a province to meet that in the national interest, provided, as the hon. Minister of Federal and Intergovernmental Affairs said, that the people of Alberta are not called upon to provide or to sell a non-renewable depleting resource below world commodity prices.

I think the other thing we were concerned about, as expressed in my statement of September 14, is the discriminatory nature - why Alberta oil? Why not lumber from British Columbia, why not potash from Saskatchewan, why not hydro-electric energy from Quebec, and so forth?

MR. LUDWIG:

Mr. Speaker, on a point of order. The Premier gave that speech two days ago and I don't think, notwithstanding that a question was put to him, that he can choose which question he can make a speech on and which one he can ignore.

I believe the Premier should answer the question briefly and to the point and not take 15 minutes to give a speech that he gave here last Wednesday.

MR. GETTY:

Mr. Speaker, on the point of order which is no point of order whatsoever, we've all appreciated, Mr. Speaker, the manner in which you have handled the question period. You are certainly capable of allowing those of us to answer questions put to us in the manner in which it appears the House should receive the information.

MR. LUDWIG:

Speaking to the point of order again, Mr. Speaker, the rules are very clear that when a question requires a long speech to answer it, the question should not be permitted, and if it is permitted, the speech should not be permitted. Furthermore, the rule dealing with repetition - when the Premier chooses to answer a question he can repeat half his speech, and when he chooses not to, he says it was given the other day.

I'm standing up on the point of order that the Premier is in breach of rules in giving a long-winded speech, and it ought not to be permitted. Otherwise, the question period can be used up entirely by two or three ministers who want to give speeches. The Premier is no exception. The rules which apply to him are identical to those which apply to every member in the House.

MR. SPEAKER:

I must agree with the hon. Member for Calgary Mountain View that a number of the questions today have possibly gone beyond the scope, at least a number of the answers, have gone beyond the scope which one might expect in the question period. However, I had thought that possibly the House might agree to some relaxation of the rules in view of the importance of energy to the province. It seems to me that possibly in Alberta similar latitude should perhaps be given to that given to wheat and phosphates in Saskatchewan.

MR. LOUGHEED:

Mr. Speaker, if I could just comment on that point of order which was raised. The reason I answered that to that extent was that if one would check ...

MR. SPEAKER:

Order please.

MR. LUDWIG:

I thought that ...

MR. SPEAKER:

Order please.

MR. LUDWIG:

I thought that ...

MR. SPEAKER:

Order please. Order please. Would the hon. member kindly resume his seat.

MR. LUDWIG:

I rise on a point of order.

MR. SPEAKER:

Would the hon. member kindly resume his seat.



MR. LOUGHEED:

Mr. Speaker, if I could. What I am trying to say is that on the occasion when I made my rather lengthy address, I did in fact not deal with the matter of the question the hon. Member for Medicine Hat raised but simply tabled the two documents. That is why in the answer I tried to elaborate.

MR. NOTLEY:

I wonder if I might pose a supplementary question?

MR. SPEAKER:

We are running out of time and there are one or two other questioners who have not yet asked their questions.

The hon. Member for Vegreville followed by the hon. Member for Lethbridge East.

#### Highway Construction

MR. BATIUK:

Mr. Speaker, my question will be directed to the hon. Minister of Highways. In view of the exceptionally wet summer this year, could the minister advise of the progress in construction of both the primary and the secondary highways?

MR. COPITHORNE:

Yes, Mr. Speaker, I would be happy to you a brief summary of what has happened in the highway construction program. As the premier said the other day there was a ...

MR. SPEAKER:

Order please. I had originally missed the scope of the question but it would appear that this is going to involve a ministerial-type announcement on a road program and perhaps that might be given on another occasion.

The hon. Member for Lethbridge East followed by the hon. Member for Drumheller.

#### Plastic Pipe Supplies

MR. ANDERSON:

Mr. Speaker, my question is directed to the Minister of Telephones and Utilities. In regard to projected supply pipe shortages, has the provincial government given any thought to setting up machinery for the equitable distribution of supply pipe?

MR. FARRAN:

Mr. Speaker, can I ask the hon. member if he is referring to plastic pipe for rural gas systems?

MR. ANDERSON:

Yes, Mr. Speaker, it concerns an article on plastic pipe in the Lethbridge Herald.

MR. FARRAN:

Mr. Speaker, we have been carrying out a study into the possible supply of plastic pipe for next year. In view of the world shortage of ethylene we feel that perhaps the situation is not as serious as it might have appeared to be last week. There is a surplus in Saskatchewan.

MR. ANDERSON:

A supplementary. With regard to pipe that is inferior, has any provision been made for inspecting pipe to ensure that no substandard pipe is laid?

MR. FARRAN:

Yes, we're aware that there is some substandard pipe which perhaps is only useful for water plumbing systems and not for gas. The Gas Protection Branch, The Energy Resources Conservation Board and the Rural Gas Branch in my department are being very careful before permits are issued for applying.

MR. SPEAKER:

The hon. Member for Drumheller followed by the hon. Member for Calgary Foothills.

Coal Export

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Minister of Mines and Minerals. Is there any progress being made on getting Alberta's domestic coal into the northwestern U.S. market?

MR. DICKIE:

Mr. Speaker, there was some discussion on that but I would have to advise the members of the House today that no substantial progress has been made on that.

MR. TAYLOR:

A supplementary, Mr. Speaker, to the hon. Minister of Federal and Intergovernmental Affairs. Was the matter of Alberta coal getting into Ontario discussed with the hon. minister this morning?

MR. GETTY:

Yes it was Mr. Speaker. The hon. Minister of Mines and Minerals has for some time been pursuing the opportunities that might be available to have Alberta coal go into the Ontario market, keeping in mind that Ontario Hydro has gone into the United States and purchased coal mines in Pennsylvania to supply coal while Alberta production is available.

One of the things raised today was that one purchaser in Ontario was able, I believe, to purchase a large amount of coal from Montana and supply it to Ontario. Their railroads will transport that coal at 30 per cent below what a Canadian railroad would transport it at from Alberta to Ontario.

That illustrates some of the problems in transportation that have traditionally been imposed on Western Canada by the present transportation system. The issue is now going to be followed up by the Minister of Mines and Minerals and the Minister of Industry and Commerce to come up with the reasons why that's possible. Hopefully, of course, we will in fact be able to get Alberta coal into Ontario certainly as, or more, competitively than United States coal.

MR. SPEAKER:

The hon. Member for Calgary Foothills.

[Applause]

Suffield Block

MR. McCRAE:

Thank you, Mr. Speaker. My question is to the Minister of Federal "team" and Intergovernmental Affairs!

Have plans for The Alberta Energy Corporation advanced to the point where he can advise whether the Suffield Block will be developed by the corporation itself or put out to competitive bid by industry in the traditional fashion? Also have any plans been made concerning the future exploration of the deeper zones?

MR. GETTY:

Mr. Speaker, the plans have been developed as announced by the Premier to the point that the Suffield evaluation will be completed. Then the Alberta Energy Company will be required to acquire the Suffield natural gas reserves

from the government and then itself will enter into an arrangement with private enterprise to have the Suffield natural gas developed and marketed.

The matter of other horizons, deeper or shallower, being developed has not yet been fully completed and a decision has not been taken.

MR. LUDWIG:

A supplementary, Mr. Speaker. In light of the fact that this question refers primarily to the Department of Mines and Minerals, is it the hon. Premier's intention to phase out the Department of Mines and Minerals?

MR. SPEAKER:

Order please.

MR. LOUGHEED:

Mr. Speaker, I do think it is important, if I didn't mention it, to make it clear that the Department of Mines and Minerals is probably an eight-day-a-week operation in getting ready for our special December session. The Minister of Federal and Intergovernmental Affairs will be responsible for piloting through Legislature, and will be responsible for the development of the Alberta Energy Corporation.

MR. SPEAKER:

Lest it be taken as a precedent, the Chair should perhaps confess to being emboldened by the applause which greeted the hon. Member for Calgary Foothills from both sides of the House, that the question period has been slightly extended so as to encourage his optimism about being reached.

#### ORDERS OF THE DAY

#### MINISTERIAL ANNOUNCEMENT

#### Department of Health and Social Development

MR. CRAWFORD:

Mr. Speaker, I have a short statement to make with reference to the agreement that has now been confirmed with the federal government in regard to the family allowance payment structure proposed by Alberta. Ottawa has previously announced the monthly payments would be based on an average of \$20 per child and could be on a payment schedule averaging that based on the age of the child or on family size or on a combination of both.

Studies done by the Department of Health and Social Development have shown it to be as might be anticipated, if confirmed, that it is more expensive to raise the older children because of higher food calorie requirements and more expensive clothing needs.

The federal government has confirmed its acceptance of our research figures which showed that the payments, as announced last week by the Premier, will be averaging out to \$20 per month per child and therefore that schedule of payments which was proposed can now be confirmed.

The Premier indicated last week that this proposal had been made to the federal government. To refresh hon. members' minds, in regard to the schedule, under family allowance \$15 per month payments will be made commencing January 1, 1974, for children up to 6 years of age; \$19 per month for children 7 to 11 years of age; \$25 per month for children 12 to 15 years of age; and for those 16 and 17 years of age \$28 per month, all of which, Mr. Speaker, represent substantial increases over the present schedule.

#### Speaker's Ruling

MR. SPEAKER:

The point of order raised in the Assembly last Thursday, October 11, is whether Bill 211 may be debated for second reading.

This Bill provides for compulsory reporting of child battering.

So does section 8 of Bill 21 which has already been passed earlier at this year's session.

Bill 211, the one that is now being considered, was introduced on March 29, 1973 by the hon. Member for Calgary Bow.

Bill 21, the one already passed, was introduced on May 4, 1973 by the hon. Member for Calgary McKnight. It received second reading on May 9 and third reading and royal assent on May 10, 1973.

Hence, the principle of Bill 211, which we are now considering, has already been enacted into law (in Bill 21, section 8). This occurred before Bill 211 came up for second reading.

At first it might seem to hon. members that section 8 of the later bill, Bill 21, should not have been debated for second reading on May 9 of this year. Such debate anticipated, in part, the debate which might have been expected later, in second reading of the earlier Bill 211.

The principle which forbids such anticipation of debate, is clearly set out in Beauchesne on page 116 in Annotation 131. It is related to the principle which forbids debating the same matter twice at the same session.

However, in regard to bills, there is an important exception to the rule against anticipation.

This exception is explained in Beauchesne at page 273 in Annotation 373. (2) in the following text:

There is no rule which restrains the presentation of two or more bills relating to the same subject, and containing similar provisions.

Then, after referring to two precedents, the text of Beauchesne continues:

But if a decision of the House has already been taken on one such Bill, for example if the Bill has been given or refused a second reading, the other is not proceeded with if it contains substantially the same provisions . . .

That is our situation here. This obliges me to say that the debate on Bill 211 may not continue and that Bill 211 must come off the Order Paper.

Re: Bills 203 and 204

There has been a suggestion that the same obstacle faces Bills 203 and 204. Both bills would protect an employee who gives information against his employer concerning offences by the employer against The Clean Air Act or The Clean Water Act.

It might seem that similar protection is given under section 153 of Bill 35 which was also passed at this 1973 session and is now The Alberta Labour Act, 1973.

However, it presently appears to me that Section 153 of The Alberta Labour Act, 1973, expressly confines its protection to anything an employee might do under Part 4 of The Labour Act. Hence it does not seem that Section 153 applies to either The Clean Air Act or The Clean Water Act.

Bills 203 and 204 do however, apply to The Clean Air Act and The Clean Water Act respectively, and hence, although the subject is again, employee protection, the principle at present appears to me to be different.

Since hon. members have not yet had an opportunity to express their views on this point of order, I would only indicate that I would be inclined to think that second reading debate on Bills 203 and 204 would be in order.

GOVERNMENT BILLS AND ORDERS  
(Second Reading)

Bill No. 57 The Disaster Services Act

MR. CLARK:

On a point of procedure, before the hon. Mr. Harle continues his debate, in light of the fact that the government has held rather extensive public hearings

across the province, with regard to Bill No. 57, I would request the government to make the original transcript available to this side of the House.

I acknowledge that at this time we are debating the principle of the bill and in all likelihood the original transcripts of those hearings would not impinge their view on the principle of the bill upon the members on this side of the House.

Could we have the transcripts fairly soon, if that is convenient, so that we could have the benefit of that reaction prior to debating the bill clause by clause.

DR. HORNER:

Mr. Speaker, I'm not sure whether or not there is an actual verbatim transcript, but I think this morning the office of the Leader of the Opposition was provided with a summary of the reaction at the various meetings that were held throughout the province. We will get the additional information if it is available.

MR. CLARK:

Mr. Speaker, if I could continue the point. The information we got this morning is five pages. With great respect, that doesn't seem to us to be a very adequate substitute for the original transcript of what went on because some of our members were involved in those particular hearings.

MR. HARLE:

Mr. Speaker, I was debating Bill No. 57 and pointing out that I was speaking in favour of the principle of the bill, and discussing several points in the bill that perhaps could be changed.

The last item that I wanted to mention in this debate is the problem of payment to volunteers who wish to take training courses in civil defence. As I understand the situation at the moment, when you volunteer to take a course, your expenses are paid while you are away from your home, but I understand you don't get any wages or salary. I would like to suggest that people who do go away for a course should receive some compensation.

I realize there are some difficulties with this type of approach, however, I think it is important to recognize that civil defence as we have known it in the past is perhaps a fourth arm of the service. We have the army, navy and air force, and then the civilian force of civil defence. If we are to get people to go away for training, it seems to me that these people, in addition to receiving their expenses while they are out of their home base, should also receive some form of recompense for the time they take away from home.

I can visualize a situation where, in effect, such a person is being penalized twice. He is being penalized not only by being away, and therefore not able to earn, but he also has to pay the expenses of his family while he is away from home. This seems to me to be too much to ask of volunteers.

These people are the very basis of any emergency or disaster program. That they be well trained, it seems to me, we should consider giving them something to repay them for the time they take away from their jobs.

Many employers, I understand, do continue the wages or salary of these people. There again, where we are discussing members of civil defence, who as I submit are part of a fourth service, I think it should be more than whether an employer wishes to continue making payments of wages or salary. Surely it should go to the point where the volunteer is actually paid. If the employer wishes to continue the salary or wages of those who have gone for such a course, the employer should receive that recompense.

Just to refresh our minds about the situation at New Norway with regard to the gas well perhaps I should point out that the area affected by that particular episode extended well beyond the immediate area.

I am informed by the director of civil defence at Stettler, in my constituency that he received a call at approximately 5:00 o'clock that morning and was asked to take care of six carloads and two trucks of people who were evacuated from the Farintosh area.

I merely bring this out so that all of us realize that even though the immediate area is affected by one of these episodes, the fact that people have

to be carried to other areas is important to keep in mind. It is the other areas which provide the accommodation, the meals, and all the assistance required.

I would like to personally thank the people who were involved in the Stettler portion of that particular episode.

Thank you, Mr. Speaker.

MR. SPEAKER:

May the hon. minister close the debate?

HON. MEMBERS:

Agreed.

DR. HORNER:

Mr. Speaker, just very briefly I would like to say a word or two and to thank all hon. members who took part in the debate on second reading of The Disaster Services Act. I think there is general agreement in the Legislature that this is the kind of legislation we require. Just to make one or two comments.

Some hon. members suggested that the RCMP should be the officials in charge of this situation. I think my friend, the hon. Member for Drumheller very adequately pointed out that that isn't the kind of situation that should go ahead. The RCMP are there to serve, but the elected officials and this Legislature has the final authority and should be in charge of the situation. The police should be working for them.

As I indicated in my opening remarks, Mr. Speaker, we intend to move amendments which will cover I think quite adequately the question of compensation and the question of remuneration for services.

I do have some difficulty with regard to the situation as to the question of the protection of people working for their master, the Crown. It would seem to me that at all times if there is gross abuse there are avenues that people can take to court. Whether or not we need to spell that out in legislation I am not at all sure, but I will get the opinion of the Legislative Counsel on that prior to going into committee stage.

In general, I think the debate was very useful and pointed out some of the pitfalls. We are aware of them. We are also aware, of course, that the particular experience we had in the Camrose-New Norway area re-emphasized the need for planning strategy. There are a number of things we need to revise and to bring up to date. We intend to do that.

The people who are working for Emergency Measures now, of course, will be the same people who will be working for the Disaster Services Agency. The present director of EMO will become the director of the Disaster Services Agency. There was never any intention with regard to the personnel. It was more an opportunity to re-emphasize the need to be contemporary and to be a preventive civil disaster group, rather than strictly defined as a wartime operation or an offshoot from the wartime operation.

So, Mr. Speaker, in concluding the debate on second reading of Bill 57 we feel that this legislation is necessary. We are willing to listen to amendments in committee. We will be bringing forward amendments with regard to compensation and remuneration, the question of the definition of emergency and disaster; these are ones we will be prepared to have a look at. In a lot of these areas it's a question of judgment sometimes as to how far one should go, because you wouldn't want to be in a situation that wasn't covered. In general, Mr. Speaker, we will be bringing forward those amendments and be quite willing to look at other amendments that any hon. member might come forward with.

[The motion was carried. Bill No. 57 was read a second time.]

Bill No. 58 The Coal Conservation Act

MR. DICKIE:

Mr. Speaker, I move, seconded by the hon. Minister of Lands and Forests, that Bill No. 58, The Coal Conservation Act, be now read a second time.

The Energy Resources Conservation Act, by its consideration of all energy resources in the province, makes it desirable to develop a statute and regulations for coal, which, so far as practical, parallels those relating to oil, gas and electric power generation. The proposed bill generally deals with the ground rules, that is, the basic duties and responsibilities of the board, as well as those of industry and the public.

Mr. Speaker, the first reading of the bill took place in the spring. Since that time industry has had an opportunity to comment on the bill. I think I might classify some of the concerns they have suggested in two points. One is the confidentiality and the second is the "one-window" concept.

On the question of confidentiality, the coal industry desired to make it quite clear that it differs from oil and gas, particularly on this question of confidentiality. Documents from the board are made public after a year. In coal mining operations, the concern they had was that after they had made applications to the board, they might not proceed for four, five or six years. From the point of view of competition, it would be very undesirable if the confidentiality of some of their documents were made public within a year. Mr. Speaker, I think the government considered that question and felt it a legitimate concern of the industry. From that point of view, you will notice in the provisions in the act whereby regulations can be passed dealing with confidentiality. It would be the intention of the government to cover those aspects that require confidentiality by regulation or Order in Council.

I think the second concern that might be expressed by the coal industry would deal with the "one-window" concept. I think basically that expression might be visualized by looking at what might happen now if somebody wished to develop a coal property. Prior to this they would be in the position where they went the Department of Lands and Forests, the Department of the Environment and the Department of Mines and Minerals and found themselves not quite sure whether they had met the requirements of all departments.

With the Energy Resources Conservation Board now considering applications for coal operations, it would be the intention of this act that instead of going to the Department of Lands and Forests and the Department of the Environment, they would have the one window concept, going to the Energy Resources Conservation Board. The Energy Resources Conservation Board then, in turn, would contact the various departments to make sure the departments' requirements had been met from the point of view of the formal application.

I think, Mr. Speaker, it should be mentioned however, that to be absolutely clear that there would be no question that the Department of the Environment would still enforce their regulations and so forth. If there were violations, the Department of the Environment would still be looking into them. From the point of view of the initial applications and making sure the details were properly covered, the application could be made to the Energy Resources Conservation Board, and thus follow what we think is a desirable approach between government and industry, the one-window concept.

Mr. Speaker, those are the basic points that were involved in the question of the coal. However, I might just take a few moments to acquaint hon. members with the exciting things that have been happening in the coal industry and some of the concerns expressed that don't relate particularly to the act but are involved in it as a result of the Energy Resources Conservation Board taking over jurisdiction of the Act.

First, as all hon. members will recall, we are now waiting for a report from the Energy Resources Conservation Board on our coal situation in the province of Alberta. The hon. members will recall that this extensive study was requested last spring. If they will review the details of the direction to the board they will find that it's very inclusive, so it will be a report that will be very extensive.

The latest information I have is that we can anticipate that report will be received by the government perhaps before the end of the year.

In addition to that, Mr. Speaker, the Crump Commission is now sitting. We anticipate valuable information on coal operations in the province from that commission and we will look forward to their completed studies.

In a third area, Mr. Speaker, I might mention that we have been very optimistic since the action taken by Interprovincial Pipelines on the question of a slurry line. Dave Waldon, the president of the company, has met with us. He has completed extensive research in that area and proposes to do more, that is, on actually shipping coal and oil through a slurry pipeline. I think it is

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fair to say that we could gain some benefits through this type of arrangement and by virtue of the fact that Interprovincial now has pipeline facilities available in the province of Saskatchewan that would number some 17 miles. They felt they would be in a desirable position to progress with this kind of research, because they would propose to use that part of a pipeline in Saskatchewan to see if the operation would be economically feasible. I think that has an added benefit to the province of Alberta in that you wouldn't have to start building a 17 mile line for the initial research that would have to take place.

Fourthly, I would like to highlight briefly, Mr. Speaker, the question of hydraulic mining which is really one of the most exciting areas in the coal industry and one which could perhaps turn the industry around from a financial point of view. This technique has been developed with great success in the province of British Columbia and now others are looking at it in the province of Alberta. We have been exploring a possible joint venture arrangement between some of the companies, the federal government and the provincial government to [incur] this further development on hydraulic mining.

To give you some idea of the full ramifications of this, it has been suggested that in the average type of mine operation one individual might be able to produce 10 tons of coal. Under a hydraulic type of operation this would increase five-fold to some 50 tons. So you can realize that one of the key problems in the producing of coal is production techniques and the role this would play in the development of coal mining in Alberta. I think it would be particularly significant in Alberta because approximately 85 per cent of our coal is underground, and this technique is used to develop underground mining and therefore wouldn't interfere in any way with environmental problems.

Mr. Speaker, I just took the liberty to highlight four areas involving coal in the province of Alberta that I'm sure would interest the hon. members in the second reading of this bill.

MR. SPEAKER:

Possibly the hon. members, although it's not compulsory under the rules, might wish to hear from the seconder.

DR. WARRACK:

Thank you very much, Mr. Speaker, and thank you also to my hon. friend.

I just want to add some comments to amplify the comments of the mover, the Minister of Mines and Minerals, Mr. Dickie, and also to clarify one or two additional points from Lands and Forests' responsibilities of public lands in the province of Alberta.

As the minister mentioned, the important point is contained in The Coal Conservation Act with respect to coal as a resource, as an energy resource, and who knows in the future, for many other possible uses as well, a most invaluable resource to Alberta and certainly to the coal industry as a most valuable industry to the Province of Alberta.

The emphasis I wish to point out, Mr. Speaker, is with respect to the matter of coal as a resource. Its value is in itself as a resource on the one hand, with respect to its considerations under the Energy Resources Conservation Board. On the other hand the responsibilities for the land surface considerations and its conservation, when under public lands, is the responsibility of the Department of Lands and Forests.

Members will notice in PART 1, Section 4(c and d), these purposes with respect to the whole conservation of coal as a valuable resource in Alberta itself, is pointed out and then amplified in sufficiently detailed manner under PART 3 dealing with some of the considerations under which the coal evaluation and assessment of value for utilization are taken into account.

My main point on that situation, Mr. Speaker, is the distinction of coal as a valuable resource, as an energy resource in this province, and its importance as an industry to the Province of Alberta. Distinct from that, we have the responsibility in public lands, where most of the coal development lies, for the land surface conservation reclamation considerations that are important to all of us.

In bridging those two points, first, coal as an energy resource itself, and secondly, consideration of land surface conservation and reclamation, I would



like to emphasize the spirit and intent and importance to which we attach the one-window concept mentioned by the mover of second reading for Bill No. 58, The Coal Conservation Act.

It is our intention, Mr. Speaker, that applications for coal development be handled through one place, regardless of the number of agencies of the government whose responsibilities are involved in whether a contemplated development could go forward or not.

For example, the questions of the conservation of coal as a resource in itself and the other considerations under the purview of the Energy Resources Conservation Board, the considerations of land surface conservation and reclamation through the Department of Lands and Forests when on public lands, and of course, the considerations of the water resources that are an integral part of the work and the responsibility of the Department of the Environment.

During the process of application for contemplated coal development, it is the intention of this government to coordinate those applications so that industry has access to one focal point in dealing with all of these matters. It is an area where the government can itself coordinate its responsibilities to one window, to interface with the industry and thus the most helpful steps that government can take to make it possible for sensible, well planned development, and not have such possible development strangled or unduly and unfairly deferred.

Mentioning more specifically involvements of the lands and forests department, I would point out that normally our involvement has a three-part step to it.

In the first instance, part one of applications that would apply to public lands, a preliminary survey is done on lands where there are coal resource and mineral resource holdings from the Department of Mines and Minerals in order to get a preliminary assessment of the value of the resource on the one hand and secondly, an assessment of related problems in the configuration of that resource. For example, the frequency and the nature of faults that are a part of coal seams might be considered for utilization; also the surface related problems, be they with respect to the slumping problems that in some areas of Alberta are very severe, mainly water resources, wildlife, and other important considerations of public interest. The company which contemplates the development of an initial survey of his lands is in a position to get some preliminary assessment of that information, and on the basis of that information then is in a position to ascertain whether they would like to go to the second step.

The second step, a detailed technical survey, would be done to determine whether or not there is an economic feasibility to contemplate a project.

The first step is a preliminary survey to determine whether or not an affirmative direction for the result is obtained from the data. If the data yields encouraging information, the company would come back to the Department of Lands and Forests and get a further permit to go on to public lands to do more detailed, technical data survey compilation and assessment.

The purpose of this second step is to get sufficient technical data on hand in order to ascertain the economic feasibility of a contemplated project.

If the economic feasibility is there, Mr. Speaker, the company would then go to step three. Step three would be actual application for development. On the basis of the information and various responsibilities we have as a government and the technical data, the assessment of the company submitted in their proposal we would assess the application for development. We would set up the concerns we might have through a consultative process and finally, if possible, grant an application on the basis of conditions that protect the land surface, conservation and reclamation and considerations of those important matters of public interest.

So there are the three steps, Mr. Speaker. To review them:

First, a preliminary survey to ascertain whether the information is hopeful and a detailed survey is warranted.

Second, the detailed survey which would go far enough to have the technical data on hand to perform an economic feasibility assessment of the contemplated project.

Third, if the answer is 'go' on both one and two to develop an application for development, which would be the final step in this process all within the one-window concept we have set up and I think it's fair to say, Mr. Speaker, I have been able to implement effectively. In the event that the development can go forward with conditions that would protect all the other interests involved then, indeed, it is possible through this one-window concept to expedite the process of assessment and then of development by the coal industry. This certainly is in the public interest of Alberta and within the interest and responsibility of the government.

MR. DRAIN:

Mr. Speaker, it gives me pleasure to personally approve in principle the intent behind Bill No. 58 and congratulate the minister in bringing this bill forward. Certainly the matter of coal and coal development is of great public concern and possibly something, I might emphasize, that has far more necessity than we may well realize at this particular time.

Today I happened to read a report given to me by an engineer from Cominco regarding coal gasification. Also, there is an outline by a petroleum engineer who is a consultant to the Bank of Montreal and who relates the situation and projections of energy on into the 1980s. The conclusions that can be drawn from this report are very startling.

One, there is a direct correlation between the amount of energy produced and the standard of living. And I might read just briefly from this particular report for information purposes.

Canada's increases in living standards and energy consumption closely parallel those of the United States. In 1970 the per capita Gross National Product had risen to about \$2,290 million (in 1950 dollars), about 70 per cent of that of the United States, fueled by the consumption of 290 million British Thermal Units per person. Say 87 per cent of that of the United States. By the year 2000 the real Gross National Product is envisioned to be very close to that of the United States. The British Thermal Unit to real Gross National Product ratio virtually the same, with 23 trillion British Thermal Units producing \$200 billion in 1950 dollars.

In other words, what it does establish is that the amount of energy used relates to the Gross National Product and to the standard of living we have.

I am pleased to see the purposes of the act outlined here. The approach, of course, is of appraising the resources. I might mention to the minister that there has been some very capable work done by the Geological Survey of Canada. Some of it done in 1907 was so fantastically accurate that after 40 or 50 years of mining in the Crowsnest Pass, it has not been found at fault in any particular area of information, despite the fact that this information was gathered strictly by surface geology without any trenching but strictly by geological interpretation.

So I think we can give the particular geologist who was in charge of this survey great credit, and I would think that this is one of the things that could be looked at.

Looking at the future of coal and the potential for markets relating to my specific area, we now know that the principal market, as far as the Crowsnest Pass is concerned, is the Japanese market.

This is despite the fact that Ontario imports 9 million tons of coking coal per year, as well as 9 million tons of thermal energy which could well be produced and supplied from our own regions in western Canada. Why is this? Probably the main reason is the accessibility of coal, the lakehead transportation which as water transportation, is always cheaper.

I was quite astonished to hear from the Minister of Federal and Intergovernmental Affairs during the question period mention Montana coal being competitive in Ontario. Of course, I am very much aware that this is all strip mining coal and they have a very sophisticated method of doing this.

I am also quite concerned to see the step by step developments in British Columbia in the direction of expanding the coal business in that province. I am wondering if we, in Alberta, are not in fact being left behind to a great degree in this particular area. I can certainly buy Clause (c) which is the orderly development of our coal reserves and I think probably it relates to several factors. One is finance, labour and the ability of the coal business to fit in with a compatible form of development.

Also I would think there would have to be a certain amount of compromising indicated. There would have to be the realization by the general public that a mine, in fact, is a hole in the ground and nothing else. I think that this particular statement was attributed to King Solomon, although I have never been able to find it in the Bible. I might have to refer to the hon. Member for Macleod who is my authority on this particular subject.

When we look at conservation of coal and you look back at the way the coal industry has functioned in the past in the Province of Alberta we find a very sad record insofar as conservation utilization, particularly in underground mining is concerned, specifically in the pitching seams.

In the flat seams the abandonment of a coal mine is not a serious thing because in most cases you go in a shaft and, if you have a proper mine plan available you can always go in and recover the coal. But in a pitching seam, when a mine is abandoned your hallway collapses. Usually prior to that the procedure is to rob the pillar line on the gangway and get coal cheap and fast. There is no way you can ever go back into that particular mine. Millions and millions of tons are left behind. I think it would be using a very safe figure to say that probably ten per cent of the coal developed in the Province of Alberta represents a ninety per cent loss. That is a fantastic figure. A ninety per cent loss, Mr. Speaker, that will not be recovered in the future, and this is certainly where I see the purpose in the application of this particular act.

I'm very much aware that the matter of recovery is something that can not be laid out in hard and fast rules due to the interests of safety.

This is probably one reason for another section in the act which gives the Executive Council a certain amount of flexibility. There are no two mines in any part of the province, even if very close together, that have the same geological conditions. So I would think that we should tread very carefully in the matter of how a mine is opened up, and see that proper conditions are laid out for its development and operation in the interests of total utilization.

Probably one of the tragic things that has occurred is the endeavour to supply the Japanese market to the detriment of the total end product. What you look at, in fact, is the production of 100 tons of coal, the discarding of 40 tons, and the selling of 60, somewhere in that area. In other words, for every 100 tons of coal you produce for the Japanese market, you have a saleable product of 60, and a net loss of 40, 45 or better depending on the fluctuations of the seams.

How could this be overcome, Mr. Speaker? Possibly it would be a matter of integrating the production of thermal power with the coking coal market, or alternately, gasification development in conjunction with a coal mining development. However, when I look at the cost of a gasification plant, it immediately moves right into the same category as the tar sand plant. You start talking about \$450 or \$500 million, and this represents the plant components without the provision for the basic feed stock which then runs into a tremendous sum of money. So looking at it from that aspect you would say that gasification, insofar as it concerns coal development at this time, would be something that could not be looked at very hopefully.

Additionally, the feed stock for a particular gasification plant has to have a standard that is reasonably uniform. For instance, you can not set up a certain process and you can't feed in a certain low grade coal. You have to have a standard coal which entails washing and developing a finished product. So logically the outlet for the residual coal which is not the high class coking coal should be found in markets for the development of power through thermal energy. Possibly as mentioned by the hon. minister the answer is cheap transportation, the moving of coal by slurry through to all the Ontario market.

The Ontario people may find in a very few years that they are in a very precarious situation insofar as the American market is concerned and insofar as buying their product in that particular market.

National interests in the United States will dictate unquestionably, that to every degree within the realm of possibility they will become as self contained as practical in the matter of their own energy.

Already in New Mexico they are developing coal gasification plants despite the real costs. You are looking at a \$1.40 to \$1.50 gas. Nevertheless, things like this are done in the national interest. So I would believe that the future supply of American coal to the Ontario market is not at all assured. The supply

is diminishing, the price accelerating at a fantastic degree. It can be expected that this market will open for us sooner than we think.

One of the problems that would be encountered in developing a major coal industry in the province of Alberta would be the availability of people to work in the mines. I am very much acquainted with this problem in the Crowsnest Pass, where we have a labour turnover of 100 per cent a year. In other words, I think you can translate it into something like 200 per cent because we have the basic work force who do not move and the people who come in and out. This is despite the fact that coal mining is a comparatively well paid occupation. The sky is the limit providing you are prepared to work. Working conditions are not all that bad.

I am wondering where the Energy Conservation Board will be able to get the people with the knowledge and technology necessary to enforce these regulations with the proper understanding. There are certainly none available anymore in Canada. Those who do have that knowledge are now on the retirement list and the people you import from Europe come from an area that is just as different as taking a man from a rice paddy and taking him up to Lac St. Anne, where the hon. Hugh Horner reigns supreme, and telling them to grow wheat. It wouldn't do.

Therefore, it would appear that in the interests of development that the government, through this Energy Board, will have to move in the direction of developing a technology for training people for the industry of the future. You will also have to do a selling job before coal can get off the ground. Right at this particular time, the further people are away from the coal industry in distance, the less the possibility of coal falling on their worried brows, the greater their concern is about this particular subject. They see the fish being killed, rivers running dry and a vast desert appearing in the Rocky Mountains being melted away.

All this can't be accomplished. I know, living beside a river in the Crowsnest Pass that probably carried more coal pollution than any other river in Canada, I have never found a dead fish as a result of coal. However, when the town dam was cleared about a week or ten days ago, they succeeded in killing every fish for three miles with this mud that was in the dam. So the evidence is there; there are the fish on the bank. We didn't see that when we dumped the coal slurry in the river during the war years and still found fishing very good. So I'm not prepared to buy that.

I realize that it can be contained, but in looking at the environmental problems relating to coal you have two distinct problems. One is, you have the flat seam coal mines which do not represent a rehabilitation or restoration problem. You have the mountain mines with the pitching seams which represent a real problem.

A strip mine, however, in the mountains on a pitching seam that ceases to operate does not deteriorate insofar as going back into production. Much has been made of one particular coal strip mine which was closed about 1950, because it represents a hole in the ground of some dimensions. But there you have available 50 million tons of coal. You can start operating tomorrow and be producing 500,000 tons a month. You can do that until 40 or 50 or 60 million tons of coal are taken out.

What would happen to areas like this if it were insisted that they be filled in and ultimately it was decided to take this coal out by underground methods? What would occur in fact is that you would create a trap, as occurred in Michelle when they filled in over a strip mine and worked it underground. It developed a water pocket, a cave of mud and trapped miners underground. These are some of the things you have to look at when you think of covering over strip mines in the mountains before the operation is completed. When the stripping cycle is completed, that is when you have to do it.

Generally, looking at the energy problem as it is projected for the future, you realize in spite of all the great stories of uranium and how it will solve the problem of the future, that in fact, there isn't that kind of uranium ore in the world even if the plants were built.

Oil is still the principle source. Tar sands are probably next. Anyone who thinks oil shale in the United States represents a competitive danger to the tar sands in the Province of Alberta can forget it. In fact, what they call the oil shale is not a shale. It is a dolomite. This dolomite has to be mined by very hard, conventional methods. It has to be crushed and treated by heat. The richest end product they have in the particular oil shale has six-tenths of a barrel per ton of rock handled. We're not talking about tar sands, we're

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talking about rock handled in the case of oil shale. In the tar sands you look at two tons of material producing one barrel of oil, it's a far better deal.

So, with these few brief remarks on the subject, Mr. Speaker, I'm very pleased to endorse the intent of the act. I want to express my appreciation for the fact that there is now a real possibility of going to one particular government agency and getting all the answers in one particular case. I think industry would be prepared to live with any type of rules, providing that the rules are laid down first. Thank you.

MR. TAYLOR:

Mr. Speaker, I would like to speak on five or six principles involved in the bill. First of all, I'd like to deal with three principles with which I agree and for which I commend the government.

The first one is this matter of conservation. I believe that people today expect governments to make sure that we don't waste our natural resources. Conservation doesn't mean that you don't use them; it means that you use them wisely and that you conserve them to the point where they can do their greatest possible good.

We are blessed in this province with tremendous resources of coal, oil and gas and also water power. Most countries - countries, not provinces - would be thankful to have even one of those great resources, and as part of Canada we are really blessed with four. I think we have a responsibility to conserve them, consequently I'm very happy to see the coal conservation bill before this legislature.

The second principle with which I agree is the one outlined on page 20 under new technology. We are sometimes inclined to think that coal will always be mined just the way it's mined today; that men will have to go down into the bosom of the earth, risk their lives and bring out the coal. I don't adhere to that thinking. I believe that at some time in the future it may very well be not only feasible and possible but practical to burn the coal in place and gather and pipe the energy to various parts of the province, the country or the world. This combustion in place has been researched to good advantage and I understand, although I haven't any official documents, that it has been shown in Russia that combustion of coal in place has a real possibility. They were able to gather energy from controlled combustion of coal in place and use that energy miles away from its particular source.

So I'm glad to see on page 20 the possibility of a new technology, which indicates and recognizes the principle that we don't know everything about the mining of coal today and that we are prepared to give consideration to any new technology that may arise. Another technology, of which no one has ever dreamt yet, may come into play.

The third principle with which I agree is that of reclamation. As outlined on page 9 of the bill, the hon. Member for Pincher Creek-Crowsnest stated that the record of abandonment of mines and conservation of coal in this province is a very sad record, particularly with regard to the early part of the history of the province. This was remedied to some degree, but not completely, in the last 10 or 15 years but still needs a great deal of remedial work. I know of areas in the Drumheller valley where a number of years ago at least two tipples the coal operator would go in and make a fast dollar and disappear. He took all the coal that was profitable to get out quickly, easily and cheaply and then took his money and went to the coast to enjoy the rest of his days. Then the tippie would disappear or be torn down. A few years later another tippie would be built and they would take the coal available there, still leaving a vast amount of coal. Many people have justified this type of procedure under free enterprise. In my view, free enterprise doesn't have the right to leave vast amounts of coal in areas that may never be recovered, simply by taking the coal that's available today and making a fast dollar on it.

I think government does have a responsibility to make sure that coal is taken out of an area to the greatest possible degree while the operation is in place.

So, I'm happy to see that in the bill there are abandonment section and reclamation sections. I knew a boy who fell into a hole in the area of the old Atlas Mine in the Drumheller Valley. The Atlas Mine was defunct for many years but they hadn't gone to the trouble of making sure that the rooms and the pits had been taken down. It remained there until the timber became rotten and there was a cave-in. A number of people have fallen into these cave-ins.

We were able a few years ago where the mine was no longer in operation, to get some legislation whereby the government undertook to fill in a number of these holes. I think this was proper in light of the circumstances.

When an industry is going in to make money by using our natural resource, that industry should also be responsible to make sure that that area is left safe for other operations in the future. In too many cases in the past this has not been the case. Easy money has been made with no thought of the damage done to the surrounding land or even the surface of the land following the rotting of the timber that held up the rooms and the pits.

The reclamation section, where coal miners are required to submit a proposed scheme of how they are going to leave it before the application is ever granted, is I believe a real advance in connection with this particular aspect. You only have to go to any deep seam coal mining area of the province to see how essential this particular section really is in protecting not only the getting out of the greatest amount of coal possible, but also in leaving the area in a good condition afterwards. Thus the life and limb of people are not endangered and other occupations or industry can be carried on at that same site.

Now I come to two principles with which I am not very happy. The first one is outlined on page 5. It is the overriding of contracts by legislation. I believe this is a dangerous principle where legislators decide to override all contracts in conflict with a piece of legislation.

Contracts are made in good faith. This provides for no appeal, really no way in which the people who are going to be hurt by the changing of a contract by legislation - this is really unfair to people who have contracts. I would suggest to the hon. minister that this section be looked at.

In another part of the act, Section 47 on page 23, I believe goes a little bit towards the line of thinking I would like to see. Where a contract or licence is in effect that doesn't meet the conditions of the day, then it is considered and it may be altered by the board. It is considered along with the applicant, to make sure that we are going to be fair and that we are not simply going to holus bolus break contract by legislation.

I think any of us have to put ourselves in the position of holding a contract we entered into in good faith and possibly expended a good deal of capital on the basis of holding the contract, then to find the contract was simply wiped out by legislation as in Section 5 of the bill on page 5.

I think this is unsound, I think it is a dangerous principle. I think it makes people suspicious of entering into contracts in good faith if they are going to have a contract broken by legislators who may not even have the foggiest notion of what is in that particular contract.

So I would suggest to the hon. minister that while I do think some changes may be made and should be negotiated, that this should not be a holus bolus change of contract by legislation without some negotiation with the person who entered into that contract, particularly if the contract was with a government department. That's the first one with which I am not too happy and I think it can be improved.

The next one I would like to deal with is the matter of jurisdiction. Here I would hope that the hon. minister would be able to quiet the fears I have. I'm referring primarily to sections on pages 12 and 13 which establish the principle of jurisdiction in dealing with application or abandonments and so on.

In this the board is given reasonably wide authority. That is the first point I want to mention. I think the final authority has to rest with the government, not with a board. I say that in spite of the fact that governments all across the country, including the last government in this province, are prone many times to giving authority to boards instead of keeping that authority themselves. Our MLAs would say, "It's the board that is doing this."

What can the people do about a board? They can remove an entire government but they may not want to do that over one board. There should be some type of appeal. If the government is always responsible for what a board does then we are actually practicing democracy. It is unsound to get away from that principle, to the point where even the government may make representations to the board. I think it's completely unsound and I don't think it's democratic. I think it's a dangerous principle.

I commend the minister for putting "the board with the authorization of the Lieutenant Governor in Council" in because the Lieutenant Governor in Council is

taking the responsibility of the action of that board. I think the Lieutenant Governor in Council or the cabinet, the government of the province has to actually take the responsibility for the actions of its agents, including the board in matters as important as those with which this board is going to deal.

There is another point which bothers me somewhat. When a person applies for a licence or a permit and the board deals with it, if it's a smaller mine the board can just go right ahead, form an operation of up to less than 50,000 tons of coal per year. This is a reasonably small operation in coal mining. The board has the authority to go ahead with that. But even there there is provision for, "unless the Lieutenant Governor" does something otherwise. But when it goes beyond 50,000 tons of coal per year the board does not have the authority; the board is not able to give approval unless the Lieutenant Governor in Council has first authorized the licence. Now I think that's democracy.

The Lieutenant Governor in Council is authorizing the approval. If the people are not happy they know to whom they can go, even the Premier of the province if he's not happy knows to whom he may go, the Minister of Mines and Minerals would be accountable to the Premier, the cabinet, the Legislature and the people of the province if something is done that is not right. But if it has been in the hands of the board then, of course, there is no redress on the part of the citizens of the province.

That part is fine; the board is not able to issue a permit without the approval of the Lieutenant Governor in Council. But then you come to another point that worries me a great deal. It has nothing to do with the hon. minister who happens to be the Minister of the Environment. It's the principle with which I'm dealing. The board must also contact the Minister of the Environment. You'll notice the sequence. It contacts the Lieutenant Governor in Council, the cabinet, the government of the province and then it must also contact the Minister of the Environment for his approval of the application as it affects the environment.

The Lieutenant Governor in Council, the proper body, makes recommendations to the board, subject to such terms and conditions as the Lieutenant Governor in Council wants to impose. It is their right to impose conditions. They are the government of the province. But then the Minister of the Environment may give his approval, with or without conditions. So we have the board in this position. It gets the approval with conditions or otherwise from the Lieutenant Governor in Council, and then must also get approval from one minister of the Crown.

Now in geometry and trigonometry the hon. members know that a part can never be as great as a whole. The whole must have the greater authority.

I remember a minister of the Crown in Newfoundland once saying to me that one of the ministers of his particular government was actually dangerous because, he said, "That minister puts more emphasis on his department than on the whole government. His department is the world as far as he is concerned." Sometimes there is probably a tendency for us to do that, we get so wrapped up in our own particular department. The principle is not sound if that department is going to be more important than the whole government.

I would suggest to the hon. minister that in spite of the fact that we have put great emphasis on the environment, that the representations from the Lieutenant Governor in Council should include the representations of the Minister of the Environment. The Minister of the Environment should not be over and above the Lieutenant Governor of the province.

It may well be that the Minister of the Environment would always confer with the Minister of Mines and Minerals, with the Lieutenant Governor in Council, and with the Premier. But there may be governments, now or in the future where that wouldn't be the case. Then you have a conflict that is vitally serious to the welfare of the province. I say it is out of line with democracy. One minister of the Crown should not have the right, important as his department is, to impose conditions that have not been authorized by the Lieutenant Governor in Council.

So I would suggest to the hon. minister that amendments be secured to Sections 21 and 24 of the bill, in which the importance of the Minister of the Environment will be recognized, but through representations from the Lieutenant Governor in Council. The board should not be expected to receive representations from the Lieutenant Governor in Council and then, in addition, representations from the Minister of the Environment.

I don't know whether I have impressed upon you the importance I feel should be attached to this particular Section. But I do think it is a very important principle that the government act as a whole when dealing with something like this; rather than one minister, important or as efficient as that minister might be; or important as the department might be, it should be done by the government as a whole. Those conditions should be imposed not with the strength of one man's view but with the strength of the entire cabinet which represents the government of the province.

Those are the major points with which I wanted to deal in regard to the principles of the bill. In closing I would like to emphasize again the points raised by the hon. Member for Crowsnest. That we were losing our craftsmen in the coal mining industry is something I warned the previous government about 15 years ago.

Today, if we are able to get a bite of the Ontario market - and I sincerely hope we will - and if we can get a small part of the market for domestic coal in the northwestern United States - and I sincerely hope we will - we are going to find ourselves in the predicament of having to train people all over again to work down in the bosom of the earth.

The hon. member said, if I understood him right, that coal miners are well paid. Well, I come from a coal mining family, and I think that every cent earned by those who work down in the bowels of the earth is very well earned. We should provide for them a real incentive so that our young people will not leave the coal mining industry and there will be a future in this industry which is an important source of energy in this province.

MR. FARRAN:

Mr. Speaker, on a point of order. Having been brought up by the hon. members of the opposition today for using a word in error, I would just like to point out to the hon. Member for Drumheller that the hon. Member, Mr. Drain is not the Minister for Crowsnest.

MR. TAYLOR:

I'm very sorry, Mr. Speaker. I was thinking of the future.

MR. YURKO:

Mr. Speaker, in relation to the comments that we've just had on this bill, I feel it necessary for me to get up and make a few remarks. I hope all the members will take my remarks to heart.

The Coal Conservation Act, Mr. Speaker, has to be read in conjunction with The Land Surface Conservation and Reclamation Act. These two acts were processed through government at the same time and were, in fact, considered by all the various bodies within government as companion bills. So one must read both of them and try to put both in perspective when relating oneself to the development of coal mines in the province.

I would like to make a few remarks on the one-window concept because there is some confusion in regard to this concept. The one-window concept has been discussed by the various departments to a very great degree and to a very large extent. Basically, it is related to the initial application made by the company which in all cases is made to the board. The board then fans out the application to the various departments of government. It recognizes that departments of government have to, in fact, give their approvals to that application. However, at the request of the companies themselves, they recognized that there would be an interminable delay if the companies dealt only with the board. As a result, they requested very quickly during the discussion of this process that almost immediately after presentation of the application of the board they be permitted to enter into discussions with the various departments of government that were concerned, such as Lands and Forests and the Department of the Environment. It could then be made very plain to them what was required by the various departments before the board eventually processed the final permit.

So I think that has to be taken in proper context, that it is recognized that all the companies, almost immediately after making application to the board, will be, in effect, dealing with a number of departments of government on a very substantial basis. The drawings, the overall site plan for example, will be supplied to government perhaps directly through a department under The Land Surface Conservation Act, rather than necessarily through the board.



I would like to get back to page 12 and address myself to the smokescreen that the hon. Member for Drumheller just raised in this House, because I don't think he has read this section very carefully at all. The need for approval from the Department of the Environment and the Department of Lands and Forests is inherent in the number of acts administered by the board. It's in The Energy Resources Conservation Act; it's in The Oil and Gas Conservation Act, and it also exists in The Coal Conservation Act with respect to the Department of the Environment. What it really says is that on all permits, whether it's a permit to construct under The Clean Air Act or a permit to construct under The Clean Water Act, the approval has to be issued by the department before the permit can, in fact, be issued by the board. So that's what's required through the approval of the Minister of the Environment.

The actual procedure works this way. The approval is written by the department and is sent to the minister. The minister actually signs the ministerial approval. This then goes to the board with the permit to construct under The Clean Air Act and The Clean Water Act and the board then puts this together in a package.

On plants that are over 50,000 tons per year, this package is then submitted to the Lieutenant Governor in Council and the Lieutenant Governor in Council then has the opportunity to witness the restrictions put on that permit by the various departments of government, and in this particular case, by the Minister of the Environment through his approval permits.

The Lieutenant Governor in Council may then change these. They may change the conditions of the various permits if it feels the department is too stringent. They may change the conditions of permits that were, in fact, assigned by the Energy Resources Conservation Board. It always has the final approval in terms of these permits. But before it's even submitted to the Lieutenant Governor in Council the permit has to have the approval of the Minister of the Environment.

Now what does that give us? It gives us the opportunity to make sure that The Land Surface Conservation and Reclamation Act was adhered to, because the two acts are going forth in conjunction.

Secondly, it makes sure that when the matter comes up before the Lieutenant Governor in Council that the Minister of the Environment has offered his approval, knows the situation and can discuss it as well as the Minister of Mines and Minerals in cabinet. So there are two people who know that approval intimately and can discuss it in cabinet.

It doesn't mean at all, and there is no way that it can be read to construe that the Minister of the Environment has any powers overriding the Lieutenant Governor in Council, as was suggested. That is entirely a smokescreen because it is simply the other way around.

That application on its final tortuous path through government comes to the Lieutenant Governor in Council for its final approval. Before it gets there, it has to have the approval of the Minister of the Environment. And that is the procedure that, in fact, is followed and is related to on page 12 of this bill.

However, the Minister of the Environment has an approval caveat over all permits, whether they are above 50,000 tons per year or below. Even though some of these plants are not very big, they can have a major effect upon the environment from the point of view of location in terms of a waterway, in terms of being located in a highly populated area, and so forth. In fact the board has to get the approval of the department in that regard even though it doesn't have to come to the Lieutenant Governor in Council for approval.

I felt, Mr. Speaker, that I should explain that point and particularly that the two acts must be read in conjunction one with the other, because the procedures between the two acts are going to be interrelated.

I might also say that under The Land Surface Conservation and Reclamation Act as indicated by the Minister of Lands and Forests, whole sections of this act can be transferred to the Minister of Lands and Forests rather than the Minister of the Environment, so that the Minister of Lands and Forests may, in fact, be in control of a permit prior to its approval if it's in public lands. There again, that responsibility is transferred by the Lieutenant Governor in Council and it's listed and identified on page 24 of The Land Surface Conservation and Reclamation Act.

I thank you, Mr. Speaker.

MR. LUDWIG:

Mr. Speaker, I think that this is a very nice bill. It is a public interest bill and that is all the more reason why we should be careful lest, under the guise of doing the people a lot of good, we let some important principles fall by the wayside.

I am rather impressed with the fact that the hon. Minister of Mines and Minerals is introducing this bill. Nowhere in this bill is there any appeal to a court. I am pointing this out, Mr. Speaker, because when the hon. minister was on this side that seemed to be his prime obsession. He was the champion of appeals from the bureaucratic boards to a court. We never heard the end of it. I believed he was sincere and dedicated. In fact, he was probably the prime contributor to an administrative law report that came here. That sounded good. I often wondered whether he was not on the right track. But since he is now in the government, that appears to be no longer any concern of his at all. This is important.

This is more important today, Mr. Speaker, than ever before. More and more this government is showing that the boards are falling a little more under the political dominance of a minister perhaps under the guise of it being a cabinet or an executive council decision, nevertheless, a minister has overriding powers. I think that this is an important principle in any bill now.

We've come a long way now where the boards which are appointed are deciding issues, perhaps arbitrarily at times, at least if the party is agreed, involving just hundreds of millions of dollars. A decision by the board can effect the economy of this province, particularly if a minister might want to advise the board in advance that I'll go for this and I won't go for that. I'm not saying they won't do it. In fact, I believe they will. So it is important that we take a stand on this issue now.

If I may make some more comparisons, I think the time has come for the Alberta Liquor Control Board to allow appeals from the decision of that board. The board can get set in its ways; it can become arbitrary. I'm not saying it would become political. I wouldn't say that about any board, but to say that employment does not depend upon political representatives would be avoiding the facts. So I think we have to be careful here.

I'm saying that I approve of conservation and the general principle of this bill but there are pitfalls in it. I think we can't go too far in providing conservation laws, with teeth in them, that can be enforced. But I don't want to support a situation where the minister might say, well, I've never been wrong till now, and I won't be wrong after this.

I don't subscribe to the hon. minister's infallibility, nor to anyone else's for that matter. They can make mistakes which can adversely affect businesses, that can adversely affect the economy of the province, but primarily, a man's contractual rights may be affected if the minister should say, well, I don't care about you and about the contracts. After all, if the hon. Premier can shift position and dispose of contracts and eliminate contracts why should he be any different?

This matter of sanctity of contract was raised in the House today and the Premier made a rather impassioned statement about the fact that Ottawa may change the ground rules. That could be disastrous. Has this government changed the ground rules with regard to contracts? I'm not saying there aren't situations where they shouldn't be changed. But I'm saying, in the final analysis, let's not put the interpretation of what is just and reasonable in the eyes of the minister, he may be a particularly prejudiced and narrow-minded minister, so what's just and reasonable in one man's mind may be entirely the opposite.

I'm referring to this one clause here. I'm dealing with the principle, although I'm obliged to quote a section.

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Powers and Duties of the Board

The Board, with the approval of the Lieutenant Governor in Council, may make such just and reasonable orders or directions as may be necessary to effect the purposes of this Act, but are not otherwise specifically authorized by this Act.

So they are not even bound by this act. This can do what they ruddy well like and get away with it. I'd like to see some of them, not the hon. minister but perhaps the Minister of Mines and Minerals, give us a different interpretation on this section.

But that's the way I read it and that's the way it is I think, Mr. Speaker, unless somebody might point out that I'm missing something in this particular point.

Then come overriding provisions and that's where the sanctity of contract comes in. I'm not saying that we don't need exceptions where this must be done if conservation laws are to have any meaning. I believe I have just as much concern about conservation, no more no less, than perhaps every member here. But here is what this section says, PART 2,

## Overriding Provisions

A provision of

- (a) this Act, or
- (b) regulations made pursuant to this Act, or
- (c) a declaration, order or direction of the Board pursuant to this Act, or in any matter in which the Board has jurisdiction, or
- (d) an order of the Lieutenant Governor in Council under this Act,

overrides the terms and conditions of any contract or other arrangement which conflicts with the provisions of this Act, the regulations, order, declaration or direction.

Now, I'm not saying that there may be situations where this may be needed, but do we have to give the minister and the government this kind of power? Is there a better way? Have they exhausted every other possibility of doing this without giving a minister or the Lieutenant Governor in Council, in fact, dictatorial powers about the wellbeing of any business?

Perhaps if the government should gets its Alberta Energy Corporation into business, it might use this to beat down competition. If they don't want this kind of power it's no use their saying that they are not going to use it. We should not buy this in this House, Mr. Speaker. If they're not going to use it, the power ought not to be in the Act because there are many, many situations where it appears that it isn't important, we can brush this over and hope that nobody catches it.

But I'm sure that some hon. members on that other side are aware of this situation and perhaps don't like it. I believe that they should sit down and come up with an alternative. It's well and good to be concerned about conservation and as I stated no one has any kind of a stranglehold on that issue. Most people who are elected don't want to see the desecration or waste of our lands.

That's a general principle that everybody would endorse, but do we need to go this far? I'm saying we don't. I saying that it's bad legislation and particularly that it reflects a trend in this government, to get a board, give it almost complete power, and then say that the minister may override it or may change what it does. That is not that bad either, but it puts it directly under political influence whether we like it or not. It may not be all that bad. It doesn't sound so bad, but we have it in there and if a minister's influence isn't political I'd like to know whose is. I suppose Conservative ministers are not political, but I'd like to meet one of them who isn't - especially the Deputy Premier. He brags about it.

MR. HYNDMAN:

[Interjection]

MR. LUDWIG:

Mr. Speaker, I believe the hon. Minister of Education should concern himself with providing schools for children in Calgary who haven't got any, instead of kibbitzing when I'm talking, and prescribe a course in English for the high school students because I understand from higher authorities than he that they're not getting a good one.

Let us deal with the principle that I'm talking about. Should we give the minister unlimited power? Should we give the Board powers without the right of appeal? Don't courts matter any more in these matters? And in particular with a flagrant sort of attack on this principle that the Board "with the approval of the Lieutenant Governor may make such just and reasonable orders." This is almost an affront to the intelligence of every MLA in this House to try such a deal, to try to get away with it because we don't need it, Mr. Speaker. I know they have enough experience on that side, particularly since they have been on committees dealing with the matter of appeals from boards with great powers, so perhaps they can do better than that.

I must admit, Mr. Speaker, that the principle of the bill is nice. But there are pitfalls, as I have warned, and I hope that the hon. minister who introduced the bill would recollect some of the learning and experience that he had on some committees dealing with administrative tribunals having quasi judicial powers, having powers of wiping out a company if they wish to, and would allow appeals to courts from their decisions.

MR. HENDERSON:

It hadn't been my intention to get into this debate. However, as the now Minister of Highways used to say as he sat on this side of the House, being the leader of the independent party in the Legislature, he was the only one who could bring an iota of complete objectivity to the deliberations before the House. Thereupon he would proceed to display his prejudices just I am about to display mine.

However, I am going to say, Mr. Speaker, that while I exercise my prerogatives as leader of the independent party and wish to display my prejudices, I am going to do so with a certain degree of consistency.

I would like to harken back to the deliberations we went through while examining this bill in this House in relation to an increase in the oil royalties. The government put on quite a show before the Legislature as to why the royalties should go up and concocted a very nice scheme in the form of this reserve tax which would presumably compel the companies to exercise enough intelligence to open up the royalty agreements and agree to an increased royalty without the Legislature having to unilaterally act upon it.

At that time I objected to that procedure because it was window dressing. There was no question then about the Legislature having the right to unilaterally amend those contracts if it deemed it was in the public interest to do so. I don't think there is any member of this Legislature on either side of the House who would argue with the basic premise in law that this Legislature had the basic authority to do so.

My only real quarrel with the show about the royalty exercise was that the government was two-fold, that they were wasting a lot of taxpayers' money putting on a show that they had the legislative authority to deal with the matter directly. It was good politics, I guess, but I think history has shown recently it may have been overplayed a little in view of what the government now contemplates starting the first week in December.

Secondly, I was concerned that the government's steps in increasing the royalties were going to be such that it would drive the industry out of the province and I think my fears in that category have not materialized.

But, Mr. Speaker, just as I felt that the government had the authority and should have the authority, and rightly so, to deal with those long-term contracts in light of the changed circumstances that prevailed at the time of the royalty discussions, I also feel at this time that the government - and I don't care what it is made up of, whether it is a New Democratic Party, a Liberal Party, a Social Credit Party or a Conservative Party - the government in this province, where 80 per cent or more of the coal resources are owned by the people of this province, would be abdicating its responsibilities if it did not have the authority of this Legislature to deal with the changes which will develop in the future in coal.

I think coal - and I think other members would probably agree - has reached its low in Alberta and is on the upswing. When we look at the Canadian scene, just reading the national energy policy which the federal government is ignoring by the statement it brought out in June, they say something like 95 per cent or more of the coal reserves in Canada are located in western Canada, and Alberta enjoys the fact that a substantial percentage of Canadian reserves of coal are in western Canada.

When one looks at the forecast demands for energy of all types on this continent, the market situation is going to change very drastically in the future. I defy any member of this Legislature to stand on his feet and spell out and suggest the wording that should go into the legislation that can accurately anticipate the change in market conditions five years from now, let alone ten years from now, without putting it in words, such as are contained in the act, where the government clearly states it has the authority to override any private contracts made in industry. I think the individual should stand up and say so, but I don't think there is an individual here who can do it.

Consequently I have to say, Mr. Speaker, well it is certainly incumbent upon the opposition to point out to the government the shortcomings of their way. I can't be identified in this case with those who suggest that the terms of the proposed bill giving the government the right to unilaterally override private contracts constitutes an abuse of political power or legislative power.

Members of the Legislature have a responsibility to anticipate, to see that the responsibility for development and utilization of the resources of this province, and specifically coal, are properly developed. Our legislation showed us that the interest of the citizens in this province are well projected into the future.

But the final analysis, the judgment of the people of the province at election time, is going to determine whether the government has acted wisely or unwisely in utilizing those powers.

Added to this there is the protection of the courts, and the laws of Canada. If the provincial government oversteps its bounds in this regard, the federal governments in the past have not been too hesitant to declare ultra vires a provision of provincial legislation.

If members wish to go back many years in the history of the Province of Alberta they will find that the first legislation that was brought in by the Social Credit administration to deal with the wastage of oil and gas, particularly in the Turner Valley oil fields in the mid-'30s, was declared ultra vires. It was thrown out by the federal government and subsequently replaced with legislation which has led up to the energy conservation authority that we have in the province today. That action was sound at the time and I think this action is sound today.

Notwithstanding that there are some legitimate concerns about the wording of the bill, I have to say that I think the government would be grossly negligent on its part if it did not equip itself with the authority to deal with the very drastically changing circumstances that are definitely going to occur in the whole field of energy in this country, on this continent and in the world in the next decade or two.

MR. SPEAKER:

May the hon. minister close the debate?

HON. MEMBERS:

Agreed.

MR. DICKIE:

Mr. Speaker, might I thank all the hon. members who participated for their interesting observations, and also thanks to those with experience in the coal industry who passed on some of the comments which have been made in the industry generally.

First, I would like to deal with one or two comments made by the hon. Member for Pincher Creek-Crowsnest. I'm pleased that he really recognized one of the real futures of coal in this province with coal gasification. I would like to assure him that this is one area we have been following with a great deal of interest.

Perhaps I could mention a few points he might find interesting. I would like to refer to an article by Dr. Berkowitz from the Alberta Research Council entitled Information Series 64, Coal Gasification, A State of the Art Review. It's an ideal little booklet to bring everyone up to date on the actual technical points involved in coal gasification.

In addition to that, I can assure the hon. member that we receive from Cameron Engineering a report on synthetic fuels from coal in the United States. We receive this report periodically and the latest one I have is dated September, 1973. I think it would be desirable, for the interest of all hon. members, to read the first two paragraphs to give some idea of the developments which are taking place in the United States.

Recent increases in crude oil prices and possibly of natural gas prices ... [Inaudible] ... regulations make the production of synthetic gas from coal increasingly attractive. Two proposals for building such coal gasification plants have already been filed with the Federal Power Commission.

They then deal with those two applications.

In addition to that, a recent report by the Energy Resources Conservation Board dated October 5, 1973 reports under Item No. 7, that it has been announced by the PanHandle Eastern Pipeline that it plans to build a 400 million - 250 million cubic feet per day [sic] coal gasification plant in eastern Wyoming to serve a prime market of Michigan, Ohio, Indiana, Illinois and Missouri.

Mr. Speaker, I think it's worthy of note that these recent developments in monitoring the Energy Resources Conservation Board does on coal gasification keep us right in contact with the plans that are taking place in the United States. I think it's also of interest when you realize that the energy coordinator for the United States, the [former] Governor of Colorado, John Love, has received that appointment. Now they are reported to be spending approximately \$1.5 million a year just on research in the areas of energy, and one certainly would be coal gasification.

It makes one realize the importance of Canada and the United States going together. I think it would be a crime if we did not establish consultative arrangements with the United States where we could keep track with the various states and various companies that are carrying on coal gasification, so the techniques developed, the changes taking place, can be utilized in Canada.

With that in mind we have already taken steps to make sure that the steps being taken in the United States, and the developments that might occur in Alberta, particularly in the southern part of Alberta, could be developed in a way that would be of benefit to Albertans and we wouldn't have a duplication of research.

There is no question that in coal gasification and coal liquification, a great deal of research has to take place. We particularly want to make sure that when we do proceed with developments a company which is particularly interested has the full support of the government and that we have all the latest techniques and research that is occurring in the United States.

I also should mention, Mr. Speaker, the hon. member who raises the question of coal from the Colorado oil shales. I am pleased to state that during last summer we had the opportunity to visit the Colorado oil shales and, although I sense from his remarks that he felt this project wasn't something that could proceed, I would like to assure him that from some of the areas we examined it is progressing very satisfactorily.

The Premier used a five-year lead time. Of course, timing is always the question of one's opinion on it. But certainly from the reports on the oil shales we noticed down there, they are in a position to proceed. Some of the companies are in a position where they can submit an application to the federal government of the United States to proceed with an oil shales plant.

They have already taken a considerable amount of the shales right out of the mountain. I think the hon. Member for Pincher Creek would appreciate that it's a roof and pillar type of operation. It is about 60 feet high where they take the actual shale out. They put it through a retort system and they have a pilot plant that has proven they can get the oil from that.

From our analysis of it, they face two real serious problems. One is the question of water. They need considerably more water than they have at the present time. But also, when they do take the oil out of the shales, they have

a great deal of material left which they have to dispose of. And that becomes a real serious question from the environmental point of view.

Again if you consider the position of Love in Colorado as the energy coordinator, developments can take place there. I mention this because I think again, not only on our oil shales, our tar sands, but coal liquification and coal gasification. These are areas where Canada should be moving together and closer with the United States rather than growing farther apart in our whole energy picture.

So I think from that point of view we can look with interest to great developments and hope that in cooperation with the federal government we can work out satisfactory arrangements to have regular meetings with representatives of the United States in those vital areas.

One other aspect I would like to mention is the question of our relationship with Ontario. The hon. Minister of Federal and Intergovernmental Affairs reviewed it briefly today for you.

I think the two key things are that we did last year, after our Legislature adjourned, establish a relationship with Ontario. The two areas we were really concerned with were the quantity of the coal we had in Alberta and the quality that we could suggest might be used in Ontario for thermal use and also for the steel plants down there. Considerable work is being done in those areas.

We are in the process now of inviting representatives from Ontario to come and visit our province to see the actual type of coal. Some of the companies themselves have done individual analyses of their coal and we have submitted those to Ontario to see if they meet with the quality aspects so that they can be used in Ontario.

In addition, great strides have been made in the question of transportation. The Ontario government has commissioned a \$50,000 study on the question of transportation and the best way that transportation can be utilized to get coal from Alberta to Ontario. In that regard our Minister of Industry and Commerce had his department working on another report which we hope to have available about the same time as the Ontario report so that we can see if we can bridge this question of the cost of transportation, one of the serious factors that we must consider in transporting our coal to eastern Canada.

The hon. Member for Drumheller raised six interesting points. First, we welcome his observations on the question of conservation and technology, the new combustion in place method. That hadn't been brought to our attention. When he commented on it we could see the similar type of operation that might be used there as our in situ type of operation.

We did go to Peace River and examine how they are proceeding with the in situ type of operation on our oil sands there. It may be that this is the type of situation that is developing in Russia in respect to coal and I think this is a comment that we accept as a good one and we can follow this up to see if we can proceed further in that area.

On the question of the contracts, the specific sections of the legislation that have been dealt with by the hon. members, I'd like to deal with that when we come to clause by clause study because these are specific sections dealing with the question of wiping out the contracts and also the question of jurisdiction.

However, on the question of jurisdiction, I would like to confirm what the Minister of the Environment has said, that although the wording perhaps might not have been clear to the hon. member - and we will certainly check that wording to make sure it's absolutely and abundantly clear - the Executive Council or the cabinet has overriding jurisdiction on the question of the permits.

What we visualize is a similar situation which has arisen with the board in respect to natural gas matters where they make specific recommendations to the cabinet, and then the cabinet either accepts or rejects those, subject to terms and conditions, and they go right back to the board for final approval before the permit is issued. That is really what was contemplated by the particular sections.

I think, again, it may be that some clarification is necessary. Amendments would be suggested, in order to remove any doubt that the cabinet has the final jurisdiction. We would not be putting the Minister of the Environment in a position where he would be changing the order of the Executive Council. It

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would be the other way around; the Executive Council could carry the terms and conditions that may be imposed by the Minister of the Environment.

On the question of appeals raised by the hon. Member for Calgary Mountain View, I'm pleased to say that he remembers some of my comments on the question of appeals. It's always a question, when you put the appeal provisions in an act - it may be some time down the way - what section should be appealable. He has raised the point and we will examine that again in detail and have further comments for him when we do the clause by clause study of the bill.

With those remarks, Mr. Speaker, I think I'll conclude my remarks.

[The motion was carried, Bill No. 58 was read a second time.]

MR. HYNDMAN:

Mr. Speaker, just before adjourning, as to this evening, we will be moving to Government Motion No. 2 for the entire evening. Tomorrow evening we will begin with second reading of Bill No. 59, The Occupiers' Liability Act, on page 2 and then move down that page. Following Bill No. 59 we will do Bill No. 64 The Human Tissue Gift Act, and then continue second readings as they appear on page 2.

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

MR. SPEAKER:

The House stands adjourned until 8:00 o'clock this evening.

[Mr. Speaker left the Chair at 5:26 o'clock.]