

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, October 24, 1973

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

PRAYERS

[Mr. Speaker in the Chair]

NOTICES OF MOTIONS

DR. BUCK:

Mr. Speaker, I would beg that you and members of this Assembly, in light of the announcement that James G. MacGregor, noted Edmonton historian and distinguished Albertan, is to receive the Medal of Service of the Order of Canada today in Ottawa, I would request unanimous consent of this House that a telegram be sent to Mr. MacGregor to read as follows:

Members of the Alberta Legislature extend their congratulations to James G. MacGregor on the occasion of his receiving the Medal of Service of the Order of Canada.

HON. MEMBERS:

Agreed.

INTRODUCTION OF VISITORS

MR. SPEAKER:

Members of the Assembly will be pleased and honoured to know that we have in the Speaker's gallery His Excellency Jacques Viot, the Ambassador of the Republic of France to Canada, and the distinguished Consul of France in Edmonton, Monsieur Francois Ehrhard.

I would ask that they kindly stand and accept the acknowledgement of the Assembly.

MR. SORENSON:

Mr. Speaker, I wish to introduce to you, and through you to the members of this Assembly, 21 Grade 7, 8 and 9 students from Sedgewick. They are accompanied today by their teacher, Miss Sherry Burns and their bus driver, Mr. Bob Erickson.

This forenoon they visited the Museum and Archives and Noel Badry became its 1,900,000th visitor. They are in the public gallery and I would ask them to stand and be recognized.

DR. HOHOL:

Mr. Speaker, it is my pleasure, for the third day in a row this week, to welcome to this Assembly students from the constituency of Edmonton Belmont and from O'Leary High School in Edmonton. In our members gallery are 115 students from Grades 11 and 12, accompanied by three faculty members, Mr. D. Gove, Mrs. Jane Warren, and Mr. Ken Symyrozum. I should like to ask them to rise and receive the greetings of this Assembly.

MR. MINIELY:

Mr. Speaker, in the absence of my colleague, the hon. Minister of Telephones and Utilities, it is my pleasure today to introduce to you and to the members of the Assembly three newly-named members of the Alberta Government Telephones Commission. Mr. A. F. Collins has been named to the Commission today and will also continue in his role as Deputy Provincial Treasurer. Mr. J. C. Mallet-Paret, formerly Operations Manager North, and Mrs. Ruby J. Holmes, formerly a Chief Operator within the AGT system, are the other two appointees. Accompanying them is recently-retired Assistant General Manager of Alberta Government Telephones, Mr. Roy Young.

Mr. Speaker, we are establishing quite a precedent today, since Mrs. Holmes is the first lady to have been named to the Alberta Government Telephones Commission in its history. For the information of members, Mrs. Holmes has been a long-term employee of AGT, and has risen from an operator to her present executive appointment.

Mrs. Holmes and the gentlemen are seated in the members gallery. I would ask them to rise and be acknowledged by the members of the Assembly.

FILING RETURNS AND TABLING REPORTS

MR. RUSSELL:

Mr. Speaker, for the information of the hon. members, I'd like to table six copies of an interim report to myself received from Dr. Platt, the Chairman of the Special Advisory Committee on Communal Property and Land Use. We've arranged for separate copies to be put in all hon. members' mailboxes this afternoon and I commend to the members' attention the study of the statistical tables.

ORAL QUESTION PERIOD

Tri-Level Conferences

MR. CLARK:

Mr. Speaker, I'd like to direct a question to the Premier through the Chair. I'd like to ask the Premier about the government's attitude towards future tri-level conferences in light of the conference concluded in Edmonton yesterday.

MR. LOUGHEED:

Mr. Speaker, I'd like to refer that question to the hon. Minister of Municipal Affairs, who was in attendance throughout the conference.

MR. RUSSELL:

Mr. Speaker, at the closing session of the conference yesterday, we indicated to the other participating delegates that Alberta wished to assess its position with respect to ongoing national tri-level conferences held on an annual basis. There is certainly no question that we will be promoting more regional ones. To the extent we have tried it, the tri-level consultation has been most beneficial. We're not completely convinced yet that it would be to Alberta's best advantage to participate in the annual national one, but we're going to give it very careful consideration.

MR. CLARK:

Supplementary question, Mr. Speaker. What is the attitude of the government towards the tri-level conference being a decision-making body?

MR. RUSSELL:

We take the view very strongly, Mr. Speaker, that it is not a decision-making body. It is consultative.

MR. HO LEM:

Supplementary, Mr. Speaker, to the minister. Is the minister prepared to meet in the near future with the representatives of Alberta cities to discuss some of the issues which were brought up at this tri-level conference?

MR. RUSSELL:

Well, Mr. Speaker, that occurred earlier this summer and we indicated very clearly to our municipal people that it would happen on an ongoing basis.

MR. NOTLEY:

Supplementary question. Could the hon. minister advise the Assembly what the government's position is with respect to the investigation into municipal financing in Canada?

MR. RUSSELL:

Mr. Speaker, on Orders of the Day I will have more to say about that particular subject. Alberta supported very strongly, at this currently completed national Tri-Level Conference in Edmonton, the appointment of a task force to get the necessary data to get this study underway.

MR. DIXON:

Mr. Speaker, a supplementary question to the Minister of Municipal Affairs. What is the Alberta government's view on the municipalities' request for a direct share of the income tax revenue?

MR. RUSSELL:

Mr. Speaker, in our discussions earlier with municipal representatives, we have always taken the view that a united municipal-provincial approach to the federal government would be the strongest one and if there is to be a re-allocation of revenues on any kind of basis, recognizing municipal responsibilities, that our position would be much stronger by working together.

MR. WILSON:

Supplementary Mr. Speaker, to the hon. Minister of Municipal Affairs. Has the provincial government developed its guidelines, or terms of reference, for designating Neighbourhood Improvement Program participation?

MR. RUSSELL:

Mr. Speaker, as I indicated earlier, I believe Alberta is the first and still the only province to have signed an operating agreement with the federal government with respect to that program. We're proceeding as rapidly with the procedural details, I think, as is possible.

MR. SPEAKER:

Might this be the final supplementary on this topic.

MR. WILSON:

Does the provincial government have a formula for picking communities out of all those that would apply for the Neighbourhood Improvement Program?

MR. RUSSELL:

There are certain criteria the federal government has recognized in its regulations. We've always taken the attitude that the initiative should come from the municipal government. At a tri-level consultation in July, the hon. minister Mr. Pasford, the mayors of the two metropolitan centres and I agreed upon the designation of Alberta's first two neighbourhoods which were ready to proceed at that time.

MR. HO LEM:

Supplementary ...

MR. SPEAKER:

We could come back to this topic later. We have had a number of supplementaries on it already.

Energy Sitings

MR. CLARK:

Mr. Speaker, so that members on this side of the House can plan between now and the end of the year, I would like to ask either the Premier or the Government House Leader, what date are you looking at to start the, if I may use the term, energy session? A date in the early portion of December has been thrown around, but can you be more specific than that?

MR. LOUGHEED:

Mr. Speaker, the target date as of now is Monday, December 3. We would hope to be able to confirm that within a few days.

MR. SPEAKER:

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

Calgary Law Faculty

MR. LEE:

I have a question for the Minister of Advanced Education. Could the minister inform the Assembly regarding progress in planning and development of the law school at the University of Calgary?

MR. FOSTER:

Mr. Speaker, unaccustomed as I am to public speaking ... let me say this, about that.

I'd like to take this opportunity, Mr. Speaker, in response to the question to remind the House and some members opposite who raised this question in debate yesterday, that we have asked the three universities of Alberta plus the Law Society of Alberta to participate in a committee to review the proposal from the U. of C. as to establishing time for the Faculty of Law.

Let me provide, Mr. Speaker, briefly an example of what I mean by "time". At the University of Lethbridge one course, the Native American Studies Course, took two years of preparation time before the course was ready for our final approval. I'm informed that it will take 12 to 18 months, following our approval, to effect or implement that course at the University of Lethbridge.

My suggestion therefore, Mr. Speaker, in answer to the question is that to prepare properly and plan for not just a series of courses but for an entire faculty is a major undertaking and will take some period of months. To implement and create that faculty following approval will, as my example from the University of Lethbridge illustrates I think, also take a period of several months. I do not think, Mr. Speaker, that this House or the Alberta public should anticipate that this is going to happen overnight.

It's my view, Mr. Speaker, that if excellence is our objective, and surely in a faculty of law it is, time should in fact be no barrier to the proper development, planning and implementation of that faculty.

MR. GRUENWALD:

Supplementary, Mr. Speaker, to the minister. In the planning this committee will do, will they also try to demonstrate without doubt the need for the law school in Calgary?

MR. FOSTER:

Mr. Speaker, the government has already indicated that we will approve the faculty of law when it is in its final form of presentation. So, that there will be a faculty of law at the University of Calgary is assured at this moment. The timing of the finishing of its planning and its implementation has yet to be resolved, in the manner which I've just described.

MR. LUDWIG:

Supplementary, Mr. Speaker. Is the hon. minister advising us that the time of commencement of the law faculty at the University of Calgary is no longer within his hands but at the pleasure or convenience of the University of Calgary?

MR. FOSTER:

Mr. Speaker, it's really in the hands of both the University of Calgary and myself. Obviously we require the University of Calgary officials to do a great deal of work in the preparation and planning of the faculty.

My involvement is in improving that and providing for the appropriate budgetary arrangements. It remains for the University of Calgary then, to implement that approval by acquiring the appropriate staff, space and all the details that - the hon. member can imagine - are obviously necessary to effect a full faculty of law, which is a substantial undertaking.

MR. LUDWIG:

Supplementary, Mr. Speaker ...

MR. SPEAKER:

Might this be the last supplementary on this topic.

MR. LUDWIG:

Can the hon. minister assure us that there will be no further delay on his part in proceeding with the law faculty in Calgary when it is ready to be proceeded with?

MR. SPEAKER:

The answer to the hon. member's question must surely have been found within what has already been said by the minister.

The hon. Member for Wainwright followed by the hon. Member for Edmonton Calder.

Bertha Army Worm

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Agriculture. Did the government give any assistance to producers of rapeseed in the spring this year to control the Bertha army worm and if so, to what extent?

DR. HORNER:

Not in direct financial assistance, Mr. Speaker. We did, as we have in the past, arrange for supplies of chemicals. There was some decrease in price this year because there was a competing chemical in effect. Fortunately the outbreak was not as serious as was first estimated by the counts.

MR. SPEAKER:

The hon. Member for Edmonton Calder followed by the hon. Member for Calgary McCall.

Trade Union Affiliation

MR. CHAMBERS:

Mr. Speaker, my question is for the hon. Minister of Manpower and Labour. It concerns major international unions which are foreign-controlled. I would like to ask the minister first, what major unions in Alberta are affiliated with the American Federation of Labour and with the CIO, and second, what is the nature of this affiliation?

DR. HOHOL:

I think, Mr. Speaker, if I could just define the particular problem. This has to do with the Canadian Labour Congress' concern with the legislation in the United States, popularly known, for the senators moving the bill through the

American Senate at the present time, as the Burke-Hartke Act, the exact name of which is the Foreign Investment and Technology Export Control Act, 1973.

The purpose of this legislation, Mr. Speaker, is to inhibit, in particular from Canada, Europe and Japan, imports into the United States. The major concern of Canada generally, and certainly that of the Canadian Labour Congress and affiliated unions, is that the effect would be to reduce jobs in Canada.

MR. SPEAKER:

With great respect, the question as the Chair recalls it was as to the affiliation to the unions and the nature of the affiliation. I had some misgiving about the question, as to whether it shouldn't be on the Order Paper. If it is going to require a lengthy reply, perhaps it should go on the Order Paper or perhaps the minister can conclude shortly.

MR. CLARK:

A supplementary question to the minister.

MR. SPEAKER:

Order please. Does the minister prefer to have it go on the Order Paper or to continue with the answer?

DR. HOHOL:

Mr. Speaker, it is an extremely important item and of great concern, I am sure, to all. I prefer to provide it at some length, possibly in a written statement tomorrow because it is of that length and magnitude.

MR. CHAMBERS:

Mr. Speaker, I wonder then if I might request that the minister could also indicate what stand the local affiliates of these unions are taking with regard to the Burke-Hartke bill?

MR. CLARK:

A supplementary question to the minister. During the spring session last April or May, I asked if the Government of Alberta was keeping a watching brief on the progress being made by the Burke-Hartke bill. Is the Government of Alberta doing that?

DR. HOHOL:

Yes, Mr. Speaker, we very definitely are. The position of Canada, if I may place it before the House, is to intervene in the ways that it is proper for it to do so with the American government because, the way we read it, it would have a very definite negative effect on employment in Canada. So we are watching it; we are in touch with the national government.

MR. NOTLEY:

Mr. Speaker, a supplementary question for clarification. Do I take it from the minister's answer, then, that the Government of Alberta is opposed to the Burke-Hartke bill and supports any opposition taken by the federal government to that bill?

DR. HOHOL:

Mr. Speaker, the question asked, and which I answered initially, [concerned] the Canadian Labour Congress and its affiliates - which include a large number of the trade unions here in Alberta; there are 240 trade union locals in Alberta out of a total of 4,800 in Canada, and that position with respect to the legislation has to be carefully reviewed in terms of economics, imports, exports, the treatment of investment capital and also the kinds of treatment the American companies get through this act, or would get, if it passes. The legislation is now before the American Senate and is not legislation yet. To take a definitive stand we would have to take a study of it in terms of economics.

MR. CLARK:

Mr. Speaker, a supplementary question ...

MR. SPEAKER:

Might this be the final supplementary on this topic.

MR. CLARK:

Mr. Speaker, is it fair to say the Government of Alberta has no position on that legislation?

[Interjections]

What is it then?

MR. SPEAKER:

The minister has already been asked concerning the position of the government.

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

Food Prices

MR. HO LEM:

Mr. Speaker, my question today is directed to the Minister of Consumer Affairs. Mr. Minister, in view of the Premier's recent statement to this House that the inflation in food prices is the direct result of world price conditions, would the hon. minister clarify, for the information of this House, the reason for the food price increases in Calgary and Edmonton during the month of September - at a rate much higher than the national average?

MR. SPEAKER:

The hon. member is clearly asking a question which is a matter of opinion and not necessarily within the special knowledge of the minister or his department, and a subject on which research may be done by any hon. member of the House.

MR. HO LEM:

With due respect, Mr. Speaker, I'm just asking whether the minister might have some data which might lend some light to this?

MR. DOWLING:

Mr. Speaker, the hon. member also should have been listening when I made the statement regarding that particular statistic.

The food price index is made up of several things. The major portion of that food price index, as I understand it, is made up from the statistics regarding meals eaten outside of the home, something in the order of 60 per cent. That is where the major portion of the increase took place.

I would suggest that if the hon. member has been out of the province in the last little while he will realize that meals eaten away from home are normally less expensive in Alberta than in some of the other provinces of Canada.

MR. NOTLEY:

Mr. Speaker, a supplementary question. In the light of the minister's answer on Monday with respect to the discrepancy in statistics, has any representation been made to Statistics Canada to see if we can get some form of common statistical base for all cities in Canada?

MR. DOWLING:

Mr. Speaker, at this time it has not, but we are considering what might be done in order that there could be some reasonable statistics. The difficulty of those statistics too, Mr. Speaker, is the fact that if you look at the total picture you will find that, on a yearly basis, in Alberta the cities of Edmonton and Calgary are much less, by way of inflationary trends, than the rest of the 12 cities listed in those statistics. So we are going to make that proposal.

MR. HO LEM:

A supplementary, Mr. Speaker, to the Premier. As a result of concerns expressed in this area of inflationary prices, particularly as they relate to food prices, is the Premier prepared to indicate to this House that he might allow a special debate to take place, so all the views of the members of the House may be recorded?

MR. LOUGHEED:

Mr. Speaker, I felt - because I dealt with it at some considerable length under Motion No. 2 on the Order Paper and in fact spent, I think, one-third of my rather lengthy remarks in the area of the cost of living and inflation - that certainly from our point of view it was a subject that is well within the ambit of Motion No. 2. We would welcome the views of the hon. member on that particular subject when the motion next comes before the House.

I would like to correct, however, his interpretation of my remarks, even though it may be important to try to summarize them. My view with regard to the question of inflation and the causes of it - I believe I stated there were three root causes. One of them was, of course, the question of the changes in the monetary situation in the world. The second one had to do with the scarcity of product in the world and also the position of developing nations ...

MR. SPEAKER:

With great respect, the hon. Premier is going considerably beyond the scope of the question.

MR. HO LEM:

A supplementary question.

MR. SPEAKER:

Might this be the last supplementary on this topic.

MR. HO LEM:

A supplementary to the Premier, Mr. Speaker. Do I take it from your remarks that Motion No. 2 will be brought again before the House before the close of this session?

MR. LOUGHEED:

Yes, Mr. Speaker. Briefly.

MR. SPEAKER:

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

Hunters' Training Course

MR. TAYLOR:

Mr. Speaker, my question is for the hon. Minister of Lands and Forests. Is the government considering a program, requiring hunters to take a hunter training course prior to issuing a licence?

DR. WARRACK:

Mr. Speaker, I wish to be as brief as I can on this. That is a proposition that has been put forward by some sportsman organizations. Normally they have made the suggestion on a basis of tests for offenders and first time persons having hunter's licence. We have given some consideration to that matter, Mr. Speaker, but we are concerned about questions of freedom and as to the operation, in an effective way, of handling such a suggestion.

It is under consideration, Mr. Speaker, but I don't visualize moving to that in the near future.

Provincial Park Lease

While I am on my feet, Mr. Speaker, I might refer to a question that was asked of me yesterday and I agreed to obtain the answer and report. It had to do with the question of leases within Cypress Hills Provincial Park.

As I recall the question, Mr. Speaker, boy scout and church groups were specifically mentioned. My understanding, upon checking, is that there is no problem with respect to the lease held by the boy scouts in that area.

However, I do understand that in the instance of one of the church groups there is some discussion about whether the terms of the agreement, as agreed by both government and lessee, are being followed. I understand moreover, Mr. Speaker, that there will be additional discussion on that matter before the week is out.

Hunters' Training Course (Cont.)

MR. TAYLOR:

A supplementary, Mr. Speaker. Would the hon. minister consider commencing a hunters' training course, say for offenders, in the near future? It sounded like you are a long way in the future on the other one.

DR. WARRACK:

Mr. Speaker, I am sure the hon. gentleman is well aware we do have a hunter-training course now. But it is also voluntary and does not force offenders to enter into and pass the course before getting a hunting licence back.

I listened very carefully to the debate under the motion proposed by Mr. Zander and Mr. Trynchy, and I noted very limited suggestion, within the debate on that resolution, that there be this kind of restriction. Therefore, I am not just sure of the public consensus, also of where this House stands generally. I would certainly welcome the opportunity to hear those views.

MR. PURDY:

Mr. Speaker, a supplementary question to the minister. I wonder if the minister could indicate to the Assembly how many instructors we now have under the hunter-training program?

DR. WARRACK:

Mr. Speaker, I am not sure of the exact figure, but I do know we were only able to meet 40 per cent of the requests we had for hunter-training programs this year.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Smoky River.

Mortgage Applications

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Minister of Municipal Affairs. Is any action being taken to expedite mortgage applications to the Alberta Housing Corporation, in view of the fact that there are many complaints about rather extensive delays in processing the mortgages?

MR. RUSSELL:

Well I am pleased to report that some pretty fantastic action has taken place, Mr. Speaker.

You will recall that about mid-August the federal government, without consultation with other governments running their own direct-lending programs, unilaterally raised interest rates. The Province of Alberta attempted to hold its rate at 8 3/4 per cent, and as a result was literally flooded with applications throughout Alberta. The government has provided an extra \$22.6 million for this program and all the applicants who have been kept waiting for individual home applications are receiving, for approved applications, loans at the old rate of 8 3/4 per cent plus a statement from myself telling them - or

at least pointing out - that the delay at least has resulted in making considerable savings for them in their housing costs.

MR. LUDWIG:

Mr. Speaker, as a result of the "fantastic action" taken, could the minister advise whether the reduction in the time lag from about six weeks to two months would be just as fantastic as the action taken?

MR. SPEAKER:

Order please.

MR. WILSON:

A supplementary, Mr. Speaker. Could the hon. minister advise us briefly of the philosophy behind two different interest rates, depending on whether the application is made by a homeowner or a builder, and then eventually to a homeowner?

MR. RUSSELL:

There's an important distinction with respect to loans for builders, Mr. Speaker. They are going out at the higher rate which is equal to the other rates available to builders on other parts of the market, with the stipulation that when the houses are resold to the individual buyer, the interest rate is then adjusted according to the income of the buyer.

MR. SPEAKER:

The hon. Member for Smoky River followed by the hon. Member for Vermilion-Viking.

Boxcar Shortage

MR. MOORE:

Mr. Speaker, a question to the hon. Deputy Premier, the Minister of Agriculture. Further to my question of last week, has there been any response from the railways with regard to the provision of grain boxcars for shipment of grain from the Peace River country?

DR. HORNER:

Mr. Speaker, in communications both by telex and by telephone with the Canadian Wheat Board, we have now been assured that additional boxcars will be made available almost immediately, particularly on the GSLR.

Also I would advise the House that there seems to be a general shortage of boxcars throughout the country, but the Canadian Wheat Board chairman, Mr. Vogel, has assured me that they are making every effort to get the railways to move cars into position.

MR. SPEAKER:

The hon. Member for Vermilion-Viking followed by the hon. Member for Calgary Foothills.

Tartan Breweries

MR. COOPER:

Mr. Speaker, my question is directed to the hon. Minister of Manpower and Labour. Can the minister report if any progress has been made in the attempts of the workers of the Red Deer Tartan Brewery to obtain a labour union to represent them?

DR. HOHOL:

Mr. Speaker, I can report in terms of a news release, and assuming this to be accurate, the manager of Tartan Breweries in Red Deer, Mr. Ben Ginter, reported today that he had an agreement with his employees, and that his employees have been, in fact, organized as of yesterday by the Teamsters Union, and further that as in his report to the media he will be in operation within a day or two.

MR. NOTLEY:

A supplementary question, Mr. Speaker. Can the minister advise what the situation is then with the former local which had been given certification under The Labour Relations Act?

DR. HOHOL:

Mr. Speaker, as I say, I report a newscast. The other matters will certainly be before the courts and will stand as they were the last time I reported about two days ago.

MR. SPEAKER:

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

B.C. Gas Shortage

MR. McCRAE:

Mr. Speaker, I have a question for the hon. Minister of Mines and Minerals. Will the minister advise the House what steps the Government of Alberta is taking to assist in alleviating the potential natural gas shortage in British Columbia this winter?

MR. SPEAKER:

The hon. member's question may require an answer of considerable scope, but perhaps the hon. minister may think otherwise.

MR. DICKIE:

Yes, Mr. Speaker, I'm pleased to answer that.

On Thursday, September 20, over a month ago, there was a headline in the morning paper about a possible natural gas crisis threatening British Columbia. As a result of that, I had a discussion with my colleague, the Minister of Telephones and Utilities. Following that discussion I telephoned the West Coast Transmission Company to confirm the facts in the news report. They confirmed the crisis situation.

As a result of that, we contacted representatives of Alberta Gas Trunk Line to discuss whether there was a way Alberta could assist British Columbia. The representatives of Alberta Gas Trunk Line advised that two or three days previous to that, the question of a crisis had come to their attention and they had been working on some preliminary plans. We asked them if they could treat it as urgent and come back to us with some thoughts on the question. We also contacted the Energy Resources Conservation Board to determine the situation in respect to surplus.

The following day, Friday, September 21, the hon. Minister of Telephones and Utilities and myself contacted the Premier. We advised him that our preliminary reports had indicated that there was a surplus of natural gas in Alberta and that there was a feasible proposal whereby a 40-mile, 10-inch line could be constructed in the Province of Alberta to take natural gas to B.C. and therefore alleviate some of the problems in British Columbia.

From there on, the Premier had further conversations, and I'm sure he'd like to report to the House on those.

MR. LUDWIG:

A supplementary to the hon. minister, Mr. Speaker. Could the hon. minister advise as to what price the gas was sold at, the additional supplies, or was a two-price gas system principle followed?

MR. SPEAKER:

Possibly the hon. Premier could include the supplemental in his supplemental answer.

MR. LOUGHEED:

Mr. Speaker, in answer to the question from the hon. Member for Calgary Mountain View, that matter, of course, has not been resolved and will be dealt

with in the normal course of discussions between buyer and seller. For our part, on the date mentioned by the hon. Minister of Mines and Minerals, I contacted the Premier of British Columbia and advised him that, provided it was in their interest to work it out on a proper economic basis, we as the Government of Alberta, would do everything we could to remove any obstacles and to expedite matters so that the shortage they are concerned about - natural gas in British Columbia - might be, if Alberta could be of assistance, overcome during the course of the winter months.

I've now had advice back from the Premier of British Columbia who is coming to visit with me tomorrow afternoon to discuss the matter. Of course, it will be up to the Government of British Columbia to decide whether or not it's in their interest to do so. It would, of course, be a normal transaction and will be subject to the basic plan of rebate that we have in this province.

I might just mention as a footnote, so we can be ready, Mr. Speaker, that the Premier of British Columbia said that because of the timetable he wanted an opportunity to sit in the gallery tomorrow before we met.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Will the basic asking price for Alberta be consistent with the natural resource position paper tabled a year ago? That is, will it be in the neighbourhood of 26 to 32 cents per 1,000 cubic feet?

MR. LOUGHEED:

Mr. Speaker, I don't know that I can be specific upon that. I would hope so. I think we're very fortunate that Alberta Gas Trunk Line has shown the initiative of establishing a subsidiary in Pan Alberta, because it puts this province and the producers in a position that we're not tied into the monopoly-buying situation of TransCanada Pipelines.

The energy that they have shown permits the imagination that is involved of having Pan Alberta act, in essence - here in this case - as a potential seller at a price that would be in the Alberta public interest, and perhaps in the British Columbia public interest.

MR. BUCKWELL:

A supplementary question, Mr. Speaker, to the Premier. With the visit of the Premier from British Columbia, is the hon. Premier prepared to put flowers and bunting on the end of this line for tomorrow?

[Laughter]

MR. COOKSON

A supplementary to the hon. Premier, Mr. Speaker. Is the province responsible for sales tax on materials coming in from British Columbia? If so, would this be a part of the negotiations?

MR. SPEAKER:

The hon. member is really asking for an answer on a point of law. If the Chair is mistaken, perhaps the hon. Premier would like to answer.

MR. LOUGHEED:

Mr. Speaker, I, in this case, will accept the Speaker's ruling on the matter until I have some assessment as to whether or not the hon. member's question, if I follow it, is whether or not we, in terms of buying lumber from British Columbia, are involved in the British Columbia sales tax in any direct sort of way. That's an interesting point. I don't have the answer at my fingertips but will look into it.

MR. SPEAKER:

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

Alberta Educational Communications Corporation Directors

MR. WYSE:

My question, Mr. Speaker, is to the hon. Minister of Advanced Education. What were the criteria used in selecting or appointing the directors to the Alberta Educational Communications Corporation? I understand there were 250 nominations and only 14 appointees.

MR. FOSTER:

Mr. Speaker, I can deal partly with that since I am one half of the authority and perhaps my colleague, the Minister of Education may wish to add something.

We had some 250 nominees for positions on the corporation directorate from all walks of life and from across the province.

Mr. Speaker, it is really a very difficult question to answer in a short period of time because it is fundamentally the same kind of value judgment I go through primarily, and my cabinet colleagues, whenever we select people for any board of governors, for example, or a directorate. We want a balance geographically across the province. We want a balance of interest. We would like a balance of sexes, if it is possible, perhaps even a balance of ages.

We want to know that the people are reasonably competent, that they are willing to act in this capacity; if there are some special interest groups that seek representation, for example the ASTA or the ATA or some other organization, that their voice is heard; if there are departments of government, which should, in fact, have a voice in this authority or in this corporation, that they are represented by certain appointees. And in the case of a corporation, that is true with respect to four departments of government, Education, Advanced Education, Health and Social Development, and Culture, Youth and Recreation. There may be others.

That is, Mr. Speaker, a very brief comment on the kinds of criteria we use. If the member is concerned about specific individuals, I'd be happy to discuss it with him later.

MR. WYSE:

A supplementary question, Mr. Speaker. Was the area representation taken into consideration? Out of the 14 only 1 was appointed from southern Alberta.

MR. SPEAKER:

The minister has already mentioned that as one of the criteria. Perhaps we should shorten up on the number of supplementaries, because we have quite a long list of questioners still to reach and the time is running short.

MR. LUDWIG:

Mr. Speaker, I have a supplementary to the hon. minister. He stated that some of the criteria are sex and age and I wondered whether he has also taken into account perhaps the political significance of appointments?

MR. SPEAKER:

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

Non-Returnable Bottles, Cans

MR. ANDERSON:

Mr. Speaker, my question is directed to the Minister of the Environment. Has his department developed any new plans regarding the commercial possibilities of increasing stockpile of non-returnable bottles and cans in Alberta?

MR. YURKO:

Mr. Speaker, I think the Minister of Industry and Tourism announced a new industry coming to Alberta in terms of recycling bottles. From the information I have at my disposal at this time, all cans are being recycled.

MR. SPEAKER:

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

StopCheck Campaign

MR. SORENSON:

Thank you, Mr. Speaker. My question is to the hon. Solicitor General. In view of your department's StopCheck anti-drinking and driving campaign, is the government considering partial or full funding for the installation of breathalizers in lounges and taverns so that patrons can check their alcohol level before venturing out the door and home?

MISS HUNLEY:

I'll try not to give a dry answer to that question.

Mr. Speaker, it is one of the items we have discussed. We have some information about different types of breathalizers that are available. At this time I do not have a firm position on the matter.

MR. TAYLOR:

A supplementary, Mr. Speaker. Did the hon. minister ever try to read the score on one of these breathalizers when she was intoxicated?

MISS HUNLEY:

... [Inaudible] ... the question.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview followed by the hon. Member for Lac La Biche-McMurray.

Lavell Case

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Premier. Has the government considered the implications of the Supreme Court decision on the Lavell case as it relates to The Bill of Rights?

MR. LOUGHEED:

Mr. Speaker, on a preliminary basis it was my understanding in the information that I have received, that that case entirely falls within the federal jurisdiction. But I would like to take that as notice and check my information.

MR. NOTLEY:

A supplementary question, Mr. Speaker. Has the government determined the number of people who will now come directly under provincial jurisdiction as a result of this decision by the Supreme Court?

MR. LOUGHEED:

Mr. Speaker, I think that would fit with the first answer and I would be happy to check and respond on that.

MR. SPEAKER:

The hon. ...

MR. NOTLEY:

A supplementary question ...

MR. SPEAKER:

Might this be the final supplementary.

MR. NOTLEY:

Has the Government of Alberta taken any position with respect to aboriginal claims and further, are they prepared to give financial support to the Metis Association in their study of Native claims in Alberta?

MR. SPEAKER:

I respectfully suggest to the hon. member that the question is not supplementary to the preceding one.

The hon. Member for Lac La Biche-McMurray followed by the hon. Member for Clover Bar.

School Classroom Shortage

DR. BOUVIER:

I'd like to address my question, Mr. Speaker, to the Minister of Education. I wonder if the minister or his department are planning any thrust in Fort McMurray to alleviate the present classroom shortage?

MR. HYNDMAN:

We have been looking very closely at the situation over many months, Mr. Speaker. As I mentioned in the House the other day, I think at the moment they are finalizing completion of a 480-student elementary school.

Some many months ago we approved the financing by the government of a 480-student high school, but as yet the local authorities haven't chosen where the high school would go. So we are, and have been, ready, willing, and able to help out in the forefront of providing educational activities and will continue to do so in that very special Alberta area.

DR. BOUVIER:

A supplementary, Mr. Speaker, to the Minister of Municipal Affairs. Is the Minister of Municipal Affairs planning any action to prevent speculation on land so as to make the price of high school sites - that are an outrageous price - or some action to make land available for a high school so that after it is approved it can be built?

MR. RUSSELL:

Mr. Speaker, my understanding is that the two school boards and the town council have now reached agreement on two possible sites, which they propose to put to a public opinion kind of referendum early in November and will probably abide by the expression of opinion they get from the citizens. In this case, both sites are publicly-owned at the present time, so the matter of land speculation would not be the problem that it was with our last experience.

DR. BOUVIER:

Another supplementary to the Minister of Education. I was wondering if the criteria for new classrooms are existing population figures, or may we assume that the foresight is going to extend past the usual two weeks in the future?

MR. SPEAKER:

The hon. member's question is quite out of order with its 'insinuation' added on the end.

DR. BOUVIER:

Well, is the criteria for extra classrooms based on the present population figures, or is it based on the projected figures?

MR. HYNDMAN:

No, Mr. Speaker, the criteria is on the basis of the existing and contemplated rapid growth, so that we have been demonstrating at least ten times the foresight demonstrated by the previous government when it had the problem.

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Taber-Warner.

Ambulance Service Program

DR. BUCK:

Mr. Speaker, I would like to address my question to the hon. Premier or he may farm it out. Is it the intention of your government to initiate a comprehensive, provincial-wide, regional-organized ambulance system or subsidize a program for rural ambulance service?

MR. LOUGHEED:

Mr. Speaker, I will "farm it out" to the Minister of Health and Social Development.

MR. CRAWFORD:

Mr. Speaker, this particular subject is one that has received a great deal of consideration. At the present time, however, the government is not prepared, to make a formal, public policy statement on it.

I do want to assure the hon. member that there are many factors involved that he would be well acquainted with. A great deal of work is being done, including making use of proposals that have been utilized in other provinces and also liaison with the federal government.

DR. BUCK:

A supplementary to the hon. minister. Is there any intention in your department of having specialized training for the ambulance workers who are presently working in ambulance service?

MR. CRAWFORD:

Mr. Speaker, we have that under consideration at the present time. The hon. member might know that the Southern Alberta Institute of Technology has such a course and has graduated its first class. We have looked carefully into that to see how it might usefully be utilized for the upgrading of people who are employed by companies and who have already maybe been performing services for a number of years but have not had that particular training.

In respect to that I would think we will have a policy position available somewhat sooner than on the other larger question.

MR. SPEAKER:

We have just time for two final questions. Perhaps further supplementaries might be asked tomorrow.

The hon. Member for Taber-Warner followed by the hon. Member for Hanna-Oyen.

Ombudsman Committee --- Education

MR. D. MILLER:

Mr. Speaker, my question is to the hon. Minister of Education. Has the minister received a reaction to the proposal for an ombudsman committee in education?

MR. HYNDMAN:

No, Mr. Speaker. I had a very useful meeting three days ago with the home and school people. Today I have written letters to the school trustees and the ATA asking for their reaction to this very intriguing suggestion.

MR. SPEAKER:

The hon. Member for Hanna-Oyen.

Minimum Wage

MR. FRENCH:

Mr. Speaker, my question is to the Minister of Manpower and Labour. What is the minimum wage in Alberta at the present time?

MR. SPEAKER:

The hon. member is surely asking a question of law which is, as far as I know, published in the Alberta Gazette.

MR. FRENCH:

Mr. Speaker, may I reword my question and ask the Minister of Manpower and Labour when the printed notices will be going out to the various retail outlets in the province with respect to the recent changes in the minimum wage?

DR. HOHOL:

Yes, Mr. Speaker. When the minimum wage was raised, as part of a package to try to deal with the matter of the increasing costs of living, notices went out preceding that time to all the weeklies and the dailies in Alberta. This week the notices are going to individual retail people across this province. I appreciate the question.

MR. SPEAKER:

May the hon. Minister of Lands and Forests have leave to revert to Introduction of Visitors.

HON. MEMBERS:

Agreed.

INTRODUCTION OF VISITORS (CONT.)

DR. WARRACK:

Thank you, Mr. Speaker, and thank you members of the Assembly.

It is my pleasure to have the opportunity to introduce a group of Grade 12 students from Chestermere High School in the Three Hills constituency which I have the pleasure to represent. They are accompanied by Mr. Marvin Pickering, their teacher. I would ask all of you to welcome them to this Assembly, as I ask them to rise and accept your welcome.

ORDERS OF THE DAY

Retirement of Ombudsman

MR. SPEAKER:

It is with sincere regret that I must make known to hon. members that I have this morning received from the Ombudsman who, as you know, is a distinguished officer of this Legislature, word that he plans to retire, effective May 1, 1974. Since there is accumulated annual leave due to the Ombudsman, this will mean that his work at his office will cease as of April 1, 1974.

MR. HYNDMAN:

Mr. Speaker, in light of your announcement, I would advise the Assembly that the government will shortly propose a motion to set up a select committee of the Legislature for the purpose of inviting applications for a successor to the Ombudsman and recommending a name to the Assembly.

MR. CLARK:

Mr. Speaker, might I just say that it is with regret that we hear the announcement from the Ombudsman. Certainly we look forward to having considerable input, as members of the Assembly, regarding a recommendation back to the Assembly, in order to carry out the tradition he has established in this province.

MR. LOUGHEED:

Mr. Speaker, I would just like to add a comment and suggest that perhaps it might be appropriate while the House is sitting, either during this portion or

in December, to invite the Ombudsman to join us in the gallery and give us an opportunity to pay our respects directly to him.

While I'm on my feet, I'm sorry to disappoint the Member for Macleod with regard to the proposed visit by Premier Barrett. It has now been cancelled and they have worked it out there.

AN HON. MEMBER:

You can't trust anyone.

MR. SPEAKER:

The hon. Government House Leader might indicate when might be an appropriate time to pay tribute to the Ombudsman. The Chair will see to it that he is invited to the gallery for that time.

MR. HYNDMAN:

I will do that, Mr. Speaker.

MR. SPEAKER:

If I may have the leave of the House, I would propose to reply to the letter of the Ombudsman, expressing the sincere regret of all the members and their gratitude for the services he has rendered so well during his term of office.

[Applause]

MINISTERIAL ANNOUNCEMENT

Department of Municipal Affairs

MR. RUSSELL:

Mr. Speaker, I'd like to take a moment to follow up a question asked today by the hon. Member for Spirit River-Fairview. Yesterday the Executive Council recommended approval of an Order in Council establishing the Provincial-Municipal Finance Council, whose very important job it will be, during the next two years at least, to examine very closely the matter of provincial-municipal financing in the Province of Alberta.

I'd like to name the ten members of what may be called the board of directors of that council. The five non-government members were nominated and selected by their appropriate associations. Representing the Alberta School Trustees' Association, Mr. Ray Clark of Eirdett; representing the AUMA, Mayor Ray Gibbon of St. Albert and Alderman Ken Newman of Edmonton; representing the Alberta Association of Municipal Districts and Counties, Reeve Roger Parker of Ardrossan and Reeve Art Rollan of the County of Minburn. The government is being represented by the following MLAs: Cliff Doan of Innisfail; Stewart McCrae of Calgary; the hon. minister, Gordon Miniely of Edmonton; William Purdy of Stony Plain and myself from the City of Calgary.

Mr. Speaker, you'll notice that no chairman was selected for the council. It is the intention of the council to elect its own chairman. We propose to try to convene a meeting as soon as convenient after the adjournment of this session of the Legislature.

The terms of reference are as follows: to examine and recommend upon which services should be provided by the provincial and municipal governments and the sources of funding for such services; the requirements and sources of revenue for capital works in rapidly growing municipalities; existing municipal property assessment and taxation procedures; the Alberta assessment equalization procedure; matters raised in the report of the government task force on provincial-municipal fiscal arrangements, dated December 15, and other matters that may be referred to it from time to time.

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill No. 82 The Alberta Opportunity Fund Amendment Act, 1973

MR. PEACOCK:

Mr. Speaker, I move, seconded by the Minister of Consumer Affairs, second reading of Bill No. 82, The Alberta Opportunity Fund Amendment Act, 1973.

I think we can be justifiably proud of the results and progress made by the Alberta Opportunity Company and its efforts to stimulate and encourage the development of industry in Alberta, particularly rural Alberta. Not only has it provided financial assistance to many Albertans, but it has also stimulated the initiative and created the incentive for many Albertans to pursue their ideas.

Mr. Speaker, just as any new young company or new program suffers from some growing pains and start-up problems, so too has the AOC encountered some difficulties of its own. While it's not the answer to all the financial needs of industry in Alberta, it is undoubtedly fair to say it has fulfilled a vital need and continues to play a very important role. We continue, however, to be flexible in servicing those needs, and we continue to learn by our experience, consistent with the realization that we must adjust and adapt to the changing needs of industry and business in the province. I am pleased to present to you the second reading of Bill No. 82, The Alberta Opportunity Fund Amendment Act 1973.

In so doing, Mr. Speaker, I would like briefly to have the opportunity of updating the Assembly on the status of the Alberta Opportunity Company, its recent move to new headquarters in Ponoka, and a current report of the programs that the Alberta Opportunity Company has been instrumental in assisting.

On September 4, the Alberta Opportunity Company established its head office in Ponoka. It will be in temporary facilities, similar to those used for school classrooms, for about two years, until the new government building is erected in downtown Ponoka.

I might say as an aside, in relation to the structure we are planning for downtown Ponoka, that it is a revitalization, I think, of rural downtown Alberta. The building and the concept behind it, the idea of making it a community centre along with a service centre for the provincial government and other functions make it an exciting prospect indeed for Ponoka when it is completed. The AOC will continue to have offices in Calgary and Edmonton and next year we hope to open new branch offices in Lethbridge and Grande Prairie.

A number of people who had been employed by the AOC in Edmonton were, for family and other good reasons, not able to move to Ponoka. That is understandable. Virtually all these people found attractive alternative employment in other branches of government in Edmonton. As a result, just over 40 per cent of the people now employed at Ponoka came from the local labour force.

The number of loans approved during the quarter remained at the average of the four preceding quarters of AOC's existence. This is good, considering the relocation and staff changes I have mentioned, but it is well below a reasonable level for future operations.

Small businesses make an important contribution to Alberta's social fabric. They foster the development of self-reliance, enterprise and are closely identified with community life. A well balanced economy should, therefore, consist of healthy small businesses.

There are indications that we are realizing our goal of greater emphasis on small businesses in small communities. The average loan amount for the quarter just past was \$84,000 compared to an average of \$186,000 for the same quarter in 1972. The number of our loans in non-metropolitan centres has increased by 157 per cent since August 31, 1971 compared to an increase of 32 per cent in loans in metropolitan centres during the same period.

When we established the Alberta Opportunity Company we were principally concerned about small businesses in small communities. Although the Alberta Opportunity Company has had some big success stories such as Foremost International in Calgary, Glass-Fab Industries in the Peace River and The Alfalfa pelletizing industry in this province where it financed over five plants.

We think its real success lies in its loans like the following: a heavy machinery repair business employing four people in Hinton, a small charter airline employing five people in St. Paul, a manufacturer of stokers and bailers employing nine people in Lacombe, a small film processing plant employing five people in Banff, a diesel repair service employing eight people in Slave Lake, a glass and tile shop employing four people in Drayton Valley, a mobile home equipped as a doctor's office financed for the Trochu Local Development Company so that that community could attract the services of a doctor.

We also wanted the Alberta Opportunity Company to assist in the development of new and advanced technology as it has done with Aqua Tech, an activated carbon plant in Lethbridge; with Dr. Ritter's oxygen separation unit which provides home treatment for patients with respiratory illnesses who formerly had to be hospitalized and on a much smaller scale with Wittke Iron Works at Medicine Hat.

Finally, we wanted to stimulate the important tourist industry in this province. ACC has helped to finance about 70 tourist businesses from campgrounds to motels to resort lodges - employing well over 1,000 people, in communities such as Claresholm, Lac la Biche, Nordegg, Grande Cache, Fort Vermilion and Waterton. All these loans have resulted in certain changes in our AOC policies as well as, as before you today in this bill, in the regulations.

I think that anybody who has had anything to do with loans or in business recognizes that an institution such as ACC which was developed to be sensitive to the need of a person and personal assets rather than physical assets, that it is a difficult, indeed a very difficult, program to implement. It requires a lot of consideration on behalf of all members of this House as well as the people in the business communities wishing to avail themselves of the opportunities the company affords.

There are many, many cases of reinvention of the wheel. There are many cases which, unfortunately, have to be value judgments in regard to the ability of an individual to receive the moneys from the AOC which represent moneys from the people of the Province of Alberta.

So the choice of the directorate of the board of AOC has been very necessary because they're the ones who sit and make their decisions in regard to all these loans. The government's only prerogative is to set the policy. For this reason we have been very careful and we are very, very pleased with what the board for the AOC has done on behalf of the citizens of Alberta to date.

I'd just like to conclude my comments by relating a few changes we have made in regard to the AOC because of the reactions and efforts our staff have had in the field, in the market place, and have reflected back to us as worthy of consideration for change.

First, we have restructured our interest rates to provide lower rates for newer small businesses in small communities - the hon. Member for Drumheller suggested this at the last session - while maintaining a basic rate for metropolitan centres. We find in order to attract to smaller centres the proper kind of people to rehabilitate or even to, in a cyclic form, carry on industries that are there, that we must have a differential in rate. There is also a psychological reason for it in rural Alberta. Some of our agricultural programs, as you know, have carried lower rates in grants and so consequently the people who are reinvesting in the smaller communities in rural Alberta for the first time or I should say mainly are in tune to a different interest rate than the higher and more concentrated competitive markets of the metropolitan areas carry.

Secondly, although principally concerned with the establishment of new businesses or expansion of existing businesses, the Alberta Opportunity Company will now finance a change of ownership of an existing business in small communities. A word of explanation to the Assembly: we ran into many, many instances where, to keep a town active, the concept of a new business wasn't that necessary in order to keep that town alive, but rather the turnover of the existing services was most necessary to look at for this.

Thirdly, small businesses engaged in logging and quarry or gravel pit operations, formerly excluded, are now eligible for ACC assistance.

Fourthly, the amendments to The Alberta Opportunity Fund Act, also contain a very important policy change which is the elimination of the 80 per cent ceiling. While AOC will continue to require that the owners of a business have a reasonable investment in it, we have found from experience that this

has acted to the detriment of establishing businesses where owners of a business may already have a healthy investment interest but are unable to raise a further 20 per cent of the cost of the expansion package. In cases such as these, with a good payback potential, we want AOC to be able to provide all the financing required to do the job.

Now while the amendments in Bill No. 82 are of a relatively minor nature, the changes I have related to the House today cover most of it, and we feel that in order to proceed, progress and make this Alberta Opportunity Company more meaningful we ask for your support.

MR. SPEAKER:

The hon. Member for Ponoka followed by the hon. Member for Lesser Slave Lake.

DR. MCCRIMMON:

Mr. Speaker, it is with a great deal of pleasure that I take this opportunity to speak on The Alberta Opportunity Fund Amendment Act, 1973.

As the minister has mentioned, the offices opened in Ponoka September 4. The official opening of the temporary quarters will be November 7 in the afternoon, and I would like to take this opportunity to invite any of the members who are able, to drop in at that time. Quite a few groups, businessmen, banking institutions, have already dropped in at the offices to be shown the facilities which are ready for the company.

I would like to speak for a few minutes on the effect of decentralization of government offices to smaller towns, and what effect it has on the towns. At this time I must take exception to one of the pearls of wisdom that were dropped by the hon. Member for Calgary Mountain View when he stated last night that decentralization has no effect on smaller towns.

I believe that probably one of the best methods of estimating the growth and development of a town is by the number of building units or homes built in the course of a year. So having this in mind, I have been down to the town hall and got the building permits and figures for the last 13 years for the town of Ponoka from 1960 to 1973, Mr. Speaker.

In 1960, it was a particularly good year. There were 62 homes built in Ponoka for a total value of about \$850,000. This gradually dropped down over the intervening years until 1970, when there was a total of only 4 homes built in the town for a total construction value of \$160,000.

In 1971 it went up to 15 homes and a total value of about \$450,000, and I am happy to report that as of the end of September there have been over 40 homes built, and it is estimated that over 50 will be built this year in Ponoka to a total value of over \$1 million.

So, Mr. Speaker, although we can't attribute to the Alberta Opportunity Company all of this building and prosperity that has suddenly come, I must say in all sincerity that I know that 15 to 20 of these homes are directly tied in with the Alberta Opportunity Company.

Now speaking of decentralization, this I believe, is a typical situation as far as decentralization in a smaller town. I speak of it because Ponoka was the first move in this direction. I know that Lacombe, Camrose, Stettler where appointments for decentralization have already been made, and others that will be made in the future will feel an equal effect.

Now, I do not say that this fact of decentralization has more effect on a town than a small industry coming into a town, but it does make a tremendous difference as far as numbers of staff. In Ponoka it meant an additional 28 to 30 people working in the town - a payroll going through the town. Small industry has the same effect on a town and it is surprising that a small industry like this or a small group of offices like this has the same effect as dropping a pebble in a pond. The ripples go on for a long time.

I would like to speak now on the Alberta Opportunity Company and on tourism, and there is a direct relationship, Mr. Speaker. To develop the tourist industries facilities must be provided and financed, and the Opportunity Company is filling this role. To date 28 per cent of the total number of loans made has been directly tied in with the tourist industry, amounting to 36 per cent of the total dollars loaned by the company, which comes to roughly \$12.5 million.

As the Minister of Tourism has stated, the goal for the tourist industry in Alberta is \$1 million annually. In 1970 and 1972 the figure was \$340 million. To date from the closest estimates, preliminary figures, it appears that this figure will be up 20 to 21 per cent, bringing the total this year to over \$400 million. However this is just a beginning but it does tend to show that when facilities are available the tourists will come, and the Alberta Opportunity Company is the financial vehicle making development of these facilities possible.

So far, I have just mentioned the tourist industry, but in addition to this important factor, a major portion of the other two-thirds of the loans has gone to the smaller centres around Alberta. There are at present very few towns in Alberta that have not benefited from new industries developed and financed through the Alberta Opportunity Company. This means additional jobs, additional payroll, additional cash flow through the small towns, all of which revitalizes the whole community and adds encouragement, stability and optimism to many, many towns - including the one which I represent - which were very static before.

It adds to the prosperity. I do feel that this company is filling a role in providing added vitality long necessary to the development of rural Alberta and the smaller towns in the province.

Therefore, Mr. Speaker, I support these amendments, as outlined by the hon. minister, and commend them to the members for their support.

MR. BARTON:

Mr. Speaker, in speaking to Bill No. 82, it gives me great pleasure to hear of some relief for the people of the North and that they are finally looking into the logging industry as a resource that can and will come under the Alberta Opportunity Fund Act. As of last Wednesday it hadn't.

I would like to point out to the hon. minister that any bill that is put through this legislature has been hailed as a salvation to all our problems of rural Alberta but yet, when the definitions come out the problems seem to diminish - the expectations seem to diminish. Sorry.

[Laughter]

I know this will be appreciated by the government members on their side of the fence.

In looking over the loans, I noticed a lot of these rural loans under the old Industrial Development Incentives Act, and in comparing the new loans - and I could be out a little bit because I wasn't sure of the date - it is an impressive list: to the City of Edmonton, \$4,359,000; Calgary, some \$3,300,000; and north of the 55th parallel, an astounding \$452,392. I could be out a few dollars because I'm not sure of the dates, Mr. Speaker. But under the old Industrial Incentives Act some \$2,909,065 was sent north of the 55th parallel.

I realize that the high potential the Government of Alberta has put into tourism. We realize a lot of the potentials in the North and it's a matter of opinion, as the hon. Minister of Highways said, whether an east-west lateral would be warranted at this time. It is warranted. We want to take our part in the North, in developing the tar sands. The east-west lateral is a must right now.

For clarification, I would like to ask the minister if he would also outline what other agencies, other than the ones outlined in the bill, administer funding in The Industrial Development Incentives Act, the Alberta Commercial Services Act.

Speaking a little further, I'm disappointed that they haven't recognized the North as a bond, maturing, and in need of a little investment to reap the profits. But I would also request, in making the new regulations, that they look at the industry of trapping which is one of the highlights of the last two years of the North. The fur pelts are high and our area is a poor area. We would appreciate the hon. minister considering expanding the definitions of regulations to include both fishing and trapping.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. Member for St. Albert followed by the hon. Member for Calgary Bow.

MR. JAMISON:

Thank you, Mr. Speaker. Having missed out on the wild horse debate last night and all the gas that was flowing around here Monday night, I would like to make a few comments on Bill No. 82, Mr. Speaker, the Alberta opportunity company.

Mr. Speaker, as a weekly publisher I have seen the crying need for 20 years for this kind government cooperation, but more than that, concrete assistance from the province to foster industrial and commercial development in centres in Alberta other than the two big cities.

For 20 years the former government did very little in this regard. I have to believe that that government had no interest in small centres. The evidence is before me as I visit my own constituency. Towns and villages like Morinville, Legal, Gibbons, Bon Accord, and Vimy were left to die. These had been written-off by the former government.

Now, Mr. Speaker, the hon. Member for Cypress has asked this Assembly not to belabour the faults of the former government. He reminds me, Mr. Speaker, of President Nixon asking the American public to forget about Watergate.

In Ponoka, the new home of the AOC, where I published a weekly paper for 12 years, the town council and business people together made a bold move to attract development by setting up a development corporation in which members put up hard cash for a revolving fund to buy, lease, advertise, hire experts and so on. They faced an insurmountable problem. The town had no proper market roads and the former government did not respond to repeated requests by the town and county councils, chamber of commerce and the development corporation for immediate action.

The basic philosophy of that government and the basic philosophy of this government, Mr. Speaker, are poles apart insofar as developing small centres in Alberta is concerned.

I make this point now, Mr. Speaker, because I think this government has to be dead certain that its philosophy and its policies are being carried out by every employee of the new Alberta Opportunity Fund - from the receptionist to the administrator. If that company has employees who subscribe to the thinking and policies of the former government on the locating of industrial commercial development in Alberta, then I feel such employees must be weeded out promptly.

The hon. Minister of Federal and Intergovernmental Affairs, debating as an opposition member in the 1970 session, raised the concern. He was told by the former government that \$10 million was being allocated to industrial development in Alberta over the next three years. The hon. minister then suggested possibly \$50 million in one year and commented that this amount would still only be a spit in the bucket.

Mr. Speaker, I am not so naive as to believe that every centre in Alberta is presently suitable for commercial and industrial expansion. But I am, Mr. Speaker, tremendously encouraged by the farsightedness of the minister, Mr. Copithorne, in recognizing that good market roads are imperative.

AN HON. MEMBER:

Where are they?

MR. JAMISON:

I am equally encouraged by the attitude of the hon. Minister of the Environment. His announcement last spring on the financial assistance to towns to install and upgrade their sewer systems, was simply tremendous. Again, Mr. Speaker, last week when the hon. minister announced the Alberta municipal waterworks ...

MR. SPEAKER:

With respect, the Chair is having increasing difficulty relating the hon. member's speech to the amendment which is under consideration.

MR. JAMISON:

Thank you, Mr. Speaker.

AN HON. MEMBER:

They're good, though.

MR. JAMISON:

Without water and sewer, Mr. Speaker - I was getting at the problem that these towns could not promote industrial development because no one would like to locate there and live. This is why I was bringing up these problems.

Mr. Speaker, this kind of cooperation and interaction by different departments is vital in implementing all government programs. I believe this government should place considerable emphasis on such interaction between all departments.

In conclusion, Mr. Speaker, I would like to add a footnote to the history lesson given Monday evening by the hon. Deputy Premier, not that I believe that either the minister or myself are qualified historians, but we both have considerable experience in smaller centres.

The tremendous asset of our natural gas was recognized by some Albertans 50 years ago. I must be a chip off the old block because in 1923 my folks were among the first 25 subscribers in Edmonton to hook up with gas from the Kinsella line. Mr. Speaker, those were daring days for the first subscribers. There was much controversy about the safe ...

MR. SPEAKER:

Could the hon. member please come to the daring aspects of the amendment.

MR. JAMISON:

Thank you, Mr. Speaker.

In closing, Mr. Speaker, I feel that to get the AOC moving on the objectives there is cooperation needed from yet another group. I hope the major developers in Alberta will support these objectives in their future planning and land acquisitions.

Thank you, Mr. Speaker.

MR. WILSON:

Mr. Speaker, in rising to participate in the debate on the principle of Bill No. 82, at the outset I would like to say that perhaps I would be much happier about the principle of Bill No. 82 if the hon. minister could assure us in his closing remarks that these amendments would expedite the applications and do away with many of the frustrations that many of the applicants have had throughout the province in dealing with the Alberta Opportunity Company.

Mr. Speaker, one of the principles that does concern me considerably is the one with no limit on the board of directors. It's obvious, Mr. Speaker, that this lends itself to increasing the overhead. But maybe what is more important, it discourages the elimination of deadwood on the board of directors.

You know, somebody can say, "Well, good old Joe," or whatever. "We will just leave him on there. He is not doing much. He is not holding his weight, but we'll just leave him there and add a couple more to make up for it." I don't think it is in the best interests of The Alberta Opportunity Fund, or in the best interests, Mr. Speaker, of Albertans in general, if it encourages that kind of thinking.

Also, Mr. Speaker, I am concerned that Parkinson's law would take over, when you have an open-ended board of directors. Frankly, we were hoping that 'Peacock's law' would be much better than Parkinson's law.

Mr. Speaker, there would also be a tempting opportunity to reward party hacks in a situation like this. I am not making any suggestion the present government would do such a thing. But maybe some time in the future other governments or ministers might look at this as a pretty tempting opportunity to place rewards for the party faithful.

Perhaps in the closing remarks on this debate the hon. minister might just give us the benefit of his wisdom and tell us the purpose of the open-ended board of directors, how would he envision controlling some of the other problems which may arise.

Mr. Speaker, another thing that bothers me about the principle of this bill is that authority is being passed from the board to the committee and then on to any one individual to approve or reject loans. It seems to me that if an applicant is being rejected for a loan, there should be some opportunity for that applicant to have a second shot and appeal to the committee, or to have the rejection reviewed by somebody. It could well happen that the individual who rejects the loan may not be the most talented person available in that specific type of industry or for that specific purpose or things of that nature.

There is evidence already, Mr. Speaker, of people who have made applications for loans from the Alberta Opportunity Fund finding that if their business or industry is something slightly different than the run-of-the mill, the applications have not always been treated with the greatest respect and they haven't been processed in the manner we would all like to see.

As a matter of fact, we have even had reported incidents of references that were supplied, not having been contacted, but rather substitute references had been made - things of this nature. I don't think that is in the best interest of the fund, Mr. Speaker, so the principle of having one person rejecting applications and the applicant not having an opportunity to present his case to anyone else just doesn't seem right. I would invite the minister to comment on how he envisions handling that situation.

Now then, Mr. Speaker, the principle of not requiring the loans to be within 80 per cent of the asset value may be fine. We have got the door open now so that over 100 per cent of the asset value could be loaned. Even that may not be out of line if additional security were required. Mr. Speaker, I get a little nervous about the principle of this bill when there is no requirement for additional security. Perhaps the minister would like to comment on why he doesn't think it is necessary to have additional security other than 100 per cent of the asset value of whatever the purpose of the loan is for.

Mr. Speaker, there have been a lot of comments about decentralization and what is going on here. Well I think that when many of the hon. members opposite talk about decentralization, they really have tongue-in-cheek. In this instance it doesn't appear that the decision-making will be decentralized. It will still be centralized but it will be centralized in a centre that is a most awkward place for most Albertans to get a decision from. Instead of selling these moves as decentralization, the government should be selling them for what they are, an opportunity or a program to buy popularity for the Tory government, because that is really what they are.

The recipient towns are very happy, of course, and it may be of benefit to them. But it may not be of benefit to the rest of Alberta or to other Albertans unless there is something more to this business of moving government offices to smaller centres than just moving them for the sake of making the members of the business community in that town happy, because it is not making other Albertans happy. It increases the cost of operation. It removes the decision-making further from the seat of the government, which certainly increases the overhead in all manner of ways, Mr. Speaker. It is still centralization, Mr. Speaker, because the approvals are still made in one place.

MR. SPEAKER:

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

MR. BATHURST:

Mr. Speaker, the amendments to The Alberta Opportunity Fund Amendment Act as presented, I believe, are quite advantageous and I would like to place my support behind them. I do not wish to expand too much on the Alberta Opportunity Fund because we have already heard a lot.

First, the change and clarification of definition is commendable. I am especially happy to see that the change in definition for "commercial enterprise" as set out in Section 2(c) and as the amendment, the funds available will no longer be restricted to industries or companies in broad terms as we consider them. Rather, a sole proprietor of a business or two partners will have the same recognition as a co-operative or as a corporate body. This makes the loans more accessible to the individual businessman who is a success in the economic structure of his community.

Recognition of this individual, apart from the corporation, is a needed and worthwhile step. Mr. Speaker, I agree to removing the limits on the total number of directors. I believe there should be a minimum number but not a

maximum. As the fund act is going to be used, and as the company becomes involved in more and more loans, the need may arise for a greater number of directors to deal with matters concerning the company. The proposed amendment would make it possible to increase the board of directors, as needed, without waiting for approval of the House, which would delay fulfilling the need immediately if the House were not in session or if there were other urgent matters to deal with at the moment.

The delegating of authority to the loans committee as the board sees fit, is another valuable step as it would facilitate the processing of loans and requests made to the board. The board would thus not be encumbered with matters that could be dealt with by another body in this case, the loans committee. We would be able to have more time to deal with matters of a broader policy plus the retention of the sole power to make by-laws. I would hope that the delegation of power in this matter would speed up the business of the company. A hastening of work of the company would be greeted well by many people waiting for loans available through the company. Many of these people have had to wait awhile and are anxious for their loans to be speeded up.

Mr. Speaker, another amendment proposed for this act is the decision to raise the potential ceiling for research and development loans from \$10,000 to \$50,000. The larger amounts available will be welcomed by many who need a large amount of capital to conduct research on improvement of production. Being able to get a larger amount through the Opportunity Fund will remove some financial worries from applicants, and may encourage others to undertake projects, but will be of benefit to the community.

Finally, by amending Section 15 and removing some restrictive limitations previously set out in Section 11 the government is expanding the powers of the company in a matter of benefit to the province. By removing the 80 per cent limit on loans as determined by capital and engineering costs, the government will make more funds available for applicants, should the board see fit. With this amendment, should an applicant show need for capital, and should his project appear promising, there would be no set limit on his loan in proportion to costs.

On the whole, Mr. Speaker, The Alberta Opportunity Fund Act has worked well and expanded the economy. I look for the amendments to this Act to further encourage business in our province and to encourage many who would like to undertake new and perhaps different business ventures so they and the province would benefit.

Mr. Speaker, at our spring session of the Legislature there had been considerable pressure from the opposition, and they had harassed the minister and our government for the disclosures of the loans by the Alberta Opportunity Company. I, myself, Mr. Speaker, never care to know of individuals, how much money they own, or how much they owe. However, when this disclosure was made and I reviewed some of the loans, I thought that there are a couple of areas that I should mention, particularly some who have taken a real advantage of them.

It goes back to my school days memory when a family immigrated to my home town. That was in the Thirties just after the economic structure was gradually recuperating from the Depression. This family came as poor as could be, poverty was written all over them. I am sure, with the exception of the hon. Member for Spirit River-Fairview, most members will agree with me, anybody coming from a country or place where state control had been practised would be in poverty and would be lucky to have a shirt on their back.

However, I did watch these two brothers of the family as they suffered through the hard times and because of health in the family these two boys later inherited even more poverty. Knowing them as well as I did, they were ambitious, they were willing hard workers, but because of their financial standing were not able to go ahead very much. Through approximately 30 years they enjoyed nothing more than a labourer's income ...

MR. SPEAKER:

Could the hon. member be able to reattach his comments to the amendment.

MR. BATIUK:

Thank you, Mr. Speaker. I'll do that right now.

It was very interesting to note that these two brothers a year ago took a loan from the Alberta Opportunity Company and within a year the difference was that of day to night. They have a lucrative establishment.

It is very unfortunate that there were not such possibilities for people like this many years ago. However, maybe in their remaining days they will have at least a better way of life.

Mr. Speaker, I would also like to bring to the attention of the members another constituent who has taken advantage and who is also going to show very remarkable progress. The Highlands Produce in Two Hills has taken a loan from the Alberta Opportunity along with the Agricultural Development Corporation. Just recently the Alberta Poultry and Marketing Board went abroad and came back with a market for the Highlands Produce in Two Hills to market all the eggs that they will be able to - that's chicken eggs, 12 inches long.

Now, Mr. Speaker, before some of the hon. members decide to drive out to Two Hills to see these long eggs, or maybe even see what the hens look like after laying these eggs ...

MR. BARTON:

Look on that side.

[Laughter]

MR. BATIUK:

I would like to advise the hon. members that this product will be processed. There will be 12 yolks put together and the whites from 12 eggs put together. They'll be cooked and packaged and that will be 12 inches long.

If the House is still in session by then, I hope to table a specimen, Mr. Speaker.

[Laughter]

MR. SPEAKER:

The Chair hopes that the yolk, when tabled, will have an element of humour in it.

MR. BATIUK:

Mr. Speaker, I have seen that there have been a few complaints about individuals who are not able to take advantage, who were turned down for loans. However, it's unfortunate and maybe pitiful that there are people in our society whose credit rating is so low they don't qualify. But these are very few. When I look at the list of who have taken advantage, I think this act is doing and is going to do what it was intended to.

Now, Mr. Speaker, in conclusion - and when I say conclusion ...

[Laughter]

AN HON. MEMBER:

You've laid your egg.

MR. BATIUK:

I'd refer this to the hon. Member for Drumheller. The other afternoon when he was debating on The Workers' Compensation Amendment Act, at one-quarter past five he said, "Mr. Speaker, in conclusion," and he spoke for another 15 minutes until 5:30 and he adjourned the debate. He carried on in the evening for another 15 minutes. However, I didn't mind that at all, I found his statements rather good.

In conclusion, my conclusion will be shorter, Mr. Speaker. I would like to say that the Alberta Opportunity Company is good - with these few minor amendments it will be still better.

Thank you, Mr. Speaker.

MR. LUDWIG:

Mr. Speaker, in debating the principle of this bill, I ought to commend the hon. members on the other side because they came up with another first today. I'm sorry the hon. Premier isn't here to take credit for it, but now we have Conservative chickens with specially built-in runways for landing 12 inch eggs. I suppose if the hon. Deputy Premier were here he would probably set up a new industry - he might have storage problems.

I understand that just north of Edmonton an application was made for a conglomerate, that the Fuller Erush Company agent, the Kentucky Fried Chicken operator, and the Schick Razor salesman decided to form a conglomerate, take advantage of the Alberta Opportunity loans to get together and really make it an operation. The biggest problem was not getting the money - that was a soft touch, they knew somebody. The problem was to get a name. After much input, including I believe the hon. member, Mr. Batiuk, the name was a first for Alberta. They called it the Fuller Chicken Schick Company. I wouldn't advise the hon. member, Mr. Batiuk, to say it unless he's very careful how he pronounces it.

The hon. Member for St. Albert made a very impressive presentation to the Assembly. He's concerned about the growth and the prosperity in his constituency. I would like to remind the hon. member that all the money this Opportunity Fund could possibly pump into that one community will not do it nearly as much good as perhaps proceeding with the Athabasca University would have done. But that probably was a fault of the previous government for having believed that this one might carry on what was a good proposal. We had enough confidence in Alberta, that the province will grow, the population will grow and whatever might go begging, educational buildings, facilities, will always find a use and we will need more as time goes by. So maybe, in due course, Athabasca University will be built, but not by this government.

He started dealing with the faults of the past. I am saying that the government that has never made a mistake has never made any decisions whatsoever. There may have been faults and there were faults. But the problem of today is not the faults of the past government but the shortcomings of this government. That is what we are concerned about.

MR. COOKSON:

On a point of order. I fail to relate the comments the member is making to the bill that is before us this afternoon. Perhaps he could clarify. I am sure my hearing is just as good as that of the rest of the members here in the Assembly and there seems to be no relationship.

MR. LUDWIG:

Mr. Speaker, I was commenting ...

MR. SPEAKER:

If it will make the hon. Member for Lacombe's difficulty a little lighter, may I say that it is fully shared by the Chair.

MR. LUDWIG:

Mr. Speaker, I appreciate the hon. member's ability or lack of ability to understand, but that is a reflection on him, I hope, and not on myself.

We are concerned, Mr. Speaker, with the attitude of this government when we deal with an opportunity company. I would not accuse the hon. minister of practising a little bit of political patronage. That is not done, Mr. Speaker. But political preference happens to be the method that this government does operate. If they want to challenge facts we will give them details. But a little bit of political preference here and there appears to be the way they like to operate. They make no bones about it. And when they will openly show political preference, the opposition has a burdened responsibility to see that it isn't practised behind closed doors. Because why shouldn't they?

Their attitude and their approach to the way they operate in this province - in other words, to the victor belong the spoils - is not in the best interest of the people. So we have our responsibility. I must state now that when a minister turns on me and says I was not fair, I was perhaps a bit partisan, the day when the ministers of a government start applauding me, that

will be the day I won't have to get defeated. That will be the day for me to leave this place. And I ...

[Applause]

It doesn't take much to start rejoicing on the other side, Mr. Speaker.

But I can assure you, Mr. Speaker, that no one in this House would deny the fact that the opposition has a responsibility to watch, especially a company that does lend itself to a typical Conservative kind of proposition. The motto appears to be, to the victor belong the spoils. Why appoint someone else when a Conservative wants a good job in the constituency?

Now that they have stated - they frown - that this may not be right, I am not saying that some of the appointments are not good. But they are Conservative, Mr. Speaker, and that doesn't look right. They are politically-preferred appointments and then we have to be suspect. It is the opposition's responsibility to be suspect that the funds of this company, which are the funds of the people or their guarantees, are properly used.

So when they don't like this kind of pronouncement - and I don't expect them to, Mr. Speaker - it is pretty hard to rejoice and applaud when your ox is being gored ...

MR. HYNDMAN:

Mr. Speaker, I wonder if the hon. gentleman would permit a question?

MR. LUDWIG:

Yes.

MR. HYNDMAN:

I was wondering, in light of the comments he has just been making, whether he considers the reappointment for a term of three years as the chairman of the Northland School Board - which was made within the last week - to be within the ambit of the political matters he was discussing, insofar as the incumbent since 1971 and the reappointment was a gentleman by the name of Mr. Randolph McKinnon, whose name I believe would have some slight association in the minds of members opposite and who is doing a very able job.

MR. LUDWIG:

Yes, Mr. Speaker, I appreciate the very brilliant observation of the hon. minister. Yes, Social Credit in 36 years did occasionally appoint someone who was a party worker. In 36 years you can count the appointments on one hand. This government appointed more people in 24 months, in fact in one month, than the other government did in 36 years. But the exception does not prove the rule, Mr. Speaker, and I am ...

MRS. CHICHAK:

...[Inaudible] ... question.

MR. LUDWIG:

I'll name a few. Oh, did the lady want to say something?

MR. SPEAKER:

Possibly. Notwithstanding, the Chair is becoming increasingly concerned. The question before the House is whether or not The Alberta Opportunity Fund Act should be amended in the manner proposed by this amendment. I would ask hon. members to make their observations in that regard related to the amendment.

MR. LUDWIG:

Mr. Speaker, I appreciate your ruling, but I also believe in the ruling that when a question is permitted and put, the right to reply is there ...

[Interjections]

MR. SPEAKER:

Order, please. Order, please. There would be little purpose served in dealing further with the digression which led to the question.

MR. LUDWIG:

Mr. Speaker, I will return to the political preference system of the Conservative government, particularly when it deals with the spending of funds and lending of funds. We must be on guard to make sure that someone who was the leader of the Conservatives two, three or four years ago will not be running this company. That is our responsibility. We will do it, and would remind the hon. members that we are aware of what is going on.

The minister made a statement of principle which I think bears looking into. He stated that he is interested in healthy small businesses in small communities. And this is a good statement. Everyone believes in that. But I am saying that the mere extension of credit is not the assurance of healthy business in small communities, but there must be some demand for the particular business.

Obviously the private enterprise system will take care of a demand for services or goods where credit is available. But to say that because we loan someone in a town north of here \$100,000, does not mean at all that there is any assurance that that business will continue through the years to be a viable operation unless there is a need for the services and the goods.

I would like to have the minister tell us whether there is any specific move made by him to process loans. I am sure some people get frustrated after waiting for a loan to be processed for several months and they are then forced to go back and seek conventional loans.

[Mr. Diachuk in the Chair]

These funds are available and they should be made convenient. It isn't enough to say we are moving our facilities; we are moving our staff. They are in temporary quarters. We haven't got the ability to organize this thing properly. We talked about how great it was. The bottleneck happens to be the minister and his staff. It's all right to say you can borrow money from the Alberta Opportunity Company. You need it now, we will talk to you six months from now because we have a backlog.

This is inefficiency and this is a misleading position because many people believe there is a hope for them to start a new business. Many operations, many enterprises cannot wait several months to get loans. I am sure that is a weakness of the setup. Apparently he [the minister] had great ideas but became overwhelmed when the thing started moving.

Mr. Speaker, in discussing the principle of this bill, is to make it truly work, not just to have a lot of nice political talk here. We are doing great things. We are moving. But right now we are temporarily shut down because we can't handle and discharge our responsibilities. If they can't, get some advice.

I would also like to have the minister advise whether the funds, the loans, are processed entirely through the company and his department, or whether they engage solicitors out beyond the company to process the loans. What is the real bottleneck? He talks about getting a board of directors. Perhaps we ought to take a look and see whether the minister has the competence to manage an enterprise of the magnitude of the Alberta Opportunity Company, because it certainly is grinding to a standstill, at least as far as a lot of people who want loans and are entitled to loans are concerned.

So these are not just criticisms for criticism's sake, Mr. Speaker. We are entitled to answers and the people are entitled to get action. They are not going to get it by talking to Conservative MLAs who tell them that all is well. We are processing those we think to have priority. We have engaged some lawyers to do it. They are behind and we will therefore wait. Just wait. Go back and wait.

As to the matter of decentralization, I believe that service to the greatest number should be the principle involved. It's well and good to say that we will move the headquarters of the company to a small town 40, 50, 60 or 100 miles away, but people who come from other parts of Alberta have to fly to Edmonton, and perhaps take a taxi, hire a car or find some other means of transportation to go back in order to expedite business. This is not the right place to

decentralize. You are decentralizing in order to make good a promise of decentralization, but the impact on the people of this province is negligible. There is an advantage to one location, but the rest of the people have been put to an inconvenience. So, Mr. Speaker, I believe that there has to be some kind of move made - a businesslike approach - realize the fact that there is a demand and a right to come and apply.

I'm saying that not only are the loans not processed properly, efficiently and with dispatch, but when they are approved there is a completely serious lag in dealing with the application. The applicants are being told, go back and we'll consider this. After the fifth time they consider something, they are wondering whether they are dealing with efficiency or dealing with a political set-up.

So with those few observations, Mr. Speaker, I would like to state that the minister has some responsibilities. I believe he can discharge them, and I'd just like to make one more observation. When the minister does speak, he should tell us whether the government has gone into any businesses, whether there are some soft spots in some of the loans which were made, whether they are being careful enough to make sure we are not taking over companies which but for the fact of easy credit maybe never would have been in existence.

I would also like to know whether there is any increase in any preference in interest rates continued under guaranteed loans under the auspices of the Alberta Opportunity Company.

In setting up his staff - it apparently wants more directors - it appears that the run on the company was so great in decentralizing, in moving the headquarters of the operation would he consider setting up branch operations capable of making decisions for applications.

There is very poor service to Calgary, a large, major city. One has to go to someone in Calgary for the application, who will take the application, who has to clear it with Edmonton, who has to clear with somebody else. The biggest problem in the Opportunity Company is the fact that red tape has developed a lot faster than one would anticipate in a new corporation. The fact is that it has a new minister, a new government and a new company, the bureaucrats have to be overcome. The businessman does not understand all the nonsense he has to put up with. Instead of satisfaction and instead of rejoicing that here we have the opportunity to get going, a man who wants to start a business this fall will be lucky if he gets his loan processed and approved by next Easter.

Let's not boast about the shortcomings of the past. Let's show what we can do in this regard, Mr. Speaker. I believe our criticism is valid. Not only is there hardship, dissatisfaction and disenchantment in the operation of the Alberta Opportunity Company and the loans, but in other loan programs. There is complete disappointment in the fact that they can't process other loans. This appears to be a fault of this government throughout. They advertise, they push, they let you know of the benefits and then say, sorry, but there is a logjam here. We don't know what to do. Perhaps they need more advice.

Mr. Speaker, I believe that the minister is getting the guidelines from this side, at least, that he needs. I hope he is capable of acting on them.

MR. NOTLEY:

Mr. Speaker, I'm pleased to see in the amendments that the government has accepted the proposition put forward a year and a half ago by the hon. Member for Drumheller, that there be a differential interest rate for loans in small communities. I felt at the time that that was one of the better suggestions which came from the debate on the bill. There is no doubt in my mind that that kind of change will make the program much more successful in rural areas of the province. I commend the minister for introducing it.

Also, I must agree that the widening of the definition of commercial enterprises, as several members have already mentioned, is a step in the right direction. I'm pleased to see, too, the change in the Alberta Opportunity Fund, as provided by Bill No. 82, explicitly mentions co-operatives. I feel that that is another way of strengthening the intent of the original Act.

There are several additional observations I'd like to make, however, with respect to this particular operation. I said when the bill was originally introduced and I say again, in my view the two major cities should not be included under the provisions of the Alberta Opportunity Company. I felt the former government had made the right decision with the former Industrial

Incentives Act which, if my memory serves me right, eliminated the two major cities out focused the program on the rest of the province.

I know the argument we've heard from many of the hon. members that this represents a form of discrimination, but the fact of the matter is that a good amount of money under this program has already gone to the two major cities. As things stand, the tremendous advantages enjoyed by Edmonton and Calgary in terms of attracting industry are always going to be an incentive to settle in or near the major metropolitan areas. I feel if we are going to be serious about decentralization of industry in the province, perhaps this is one of the most critical issues we have to look at in Alberta today. Then including the two major cities in the Alberta Opportunity Fund concept will, in the long run, defeat the objective of decentralization of economic opportunity throughout the province.

I understand that in terms of the regulations of the company priority is given to Alberta-owned companies. It's also my understanding that if a company has its head office outside the province and the company wishes to establish a branch in Alberta, they will consider that particular application as an Alberta company, which means that we will be in a position to make loans available to foreign-controlled corporations.

Mr. Speaker, while one can argue at great length about whether or not we should be taking steps to buy back Canada, I think there is at least a pretty sound argument that in terms of existing and future programs we should be giving preferential treatment, clearly preferential treatment, to Canadian operations. To really give this any significance, in my judgment, we simply have to adopt not only a Canada-first policy, but in terms of programs which are subsidized directly or indirectly by the taxpayer, a Canadian-only policy.

I want to say a few words about the whole issue of centralization. I must admit when this issue began to develop in the province, I felt at the time that decentralizing the head offices of government departments or important agencies was a step in the right direction. I've had some second thoughts though. As a representative from a far northern riding the problems that constituents in my area will face - or constituents in Medicine Hat, Lethbridge or wherever you are in the province - of not being able to go to the capital city if they have to do business at the head office, at the centre point of the operation, if they have to drive 65 miles to Camrose or drive 65 miles to Ponoka or perhaps to some other town will add a good deal of inconvenience to a lot of Albertans.

My question to the government is that while the decentralization of head offices of these two corporations is not, in my judgment, going to be a serious problem, I would question how far the government proposes to take the decentralization of head offices. If we're going to decentralize the head offices all over the province we're going to have an incredible hodgepodge. People who do want to get a decision made are going to have to consult a road map, check with airlines and bus terminals and everything else and it's going to cause a great deal of inconvenience.

I'm fully in favour of the whole concept of decentralization of government services. When it comes to the Alberta Opportunity Company we should be looking at beefing up our regional offices. For example, the Peace River Block seems to me one particular regional office that could well be strengthened. The same is true as you look throughout the province, not only in this particular case but in the case of other government services as well. I suspect that that kind of decentralization, within the structure of a government agency or a government department, is a better course than simply taking the head office from Edmonton and plunking it in Camrose, plunking it in Ponoka or plunking it in Crayton Valley.

MR. ZANDER:

What about Spirit River?

MR. NOTLEY:

I'm willing to accept the arguments of the hon. Member for Ponoka when he says this is going to bring some benefits to the community of Ponoka. Obviously it is. No question about that. Equally so it's going to bring benefits to the City of Camrose when the Agricultural Development Corporation sets up there. But I think we have to weigh those benefits to the community which suddenly finds that it has a head office of a government agency within its confines to the possible inconvenience to the population as a whole.

Mr. Speaker, I think in fairness to the government we have to admit that the initial steps have been rather cautious and, as I say, are not going to cause any serious problem. But if this course is followed throughout the operation of government, then, as I suggested a moment ago, we could make it extremely difficult for Albertans to do business, as from time to time they must, with their government departments.

In general, Mr. Speaker, the provisions of this particular act will strengthen the Alberta Opportunity Company. I feel this kind of move is necessary and it's necessary that as a province we begin to focus an awful lot of attention on developing smaller enterprises. I know that something like Syncrude is a headline grabber. Everybody talks about it and it becomes a matter of discussion throughout Alberta.

But, I submit that over the long haul we are going to employ far more people in Alberta by setting up and encouraging small businesses, small co-operatives, small companies which are, in many cases, based on the processing and the extension of our agricultural, primary economy. In the long run we'll find that that course of action will perhaps not capture as many headlines for the province but will provide a much sounder economic base, more jobs and a better hope for longer-lasting prosperity than simply the processing of raw materials which we develop from our natural resources.

MR. DIXON:

Mr. Speaker, just one or two points on the principle of Bill No. 82, but before I mention the principles that I'm interested in in Bill No. 82, I'd like to congratulate the minister.

I'm sure he was responsible for showing the government the errors of its ways when it started out by passing regulations that the loans were not to be made public. This was a very weak part of the Opportunity Fund and now that they are being made public I'd be the first one to congratulate him because I was the one, along with others, to put a motion forward to attempt to get them made public when the loans were made.

I'm sure the hon. minister will be the first to agree that no harm has come from making them public in the Gazette of September 29, because under our parliamentary system, if we're going to have any democracy at all, if someone is using public funds he or she runs the risk of being made public, whatever their affairs with the government, and nothing is more important than the borrowing of public funds that belong to all the people of Alberta. I'd like to say congratulations to the minister or anyone else who was responsible for talking the government into making the loans public.

One other point I'd like to touch on - and I noticed the hon. Member for St. Albert has left his chair, Mr. Speaker - but I was amused at what he said about the fact that the Opportunity Fund was going to do so much for the rural people and the former government had done nothing at all for the rural people.

We have very short memories on the other side. I can remember very well, on this side of the House, when some of the hon. members who are now gracing the front bench were saying that we were doing everything for the rural areas and nothing for the urban areas. I don't know how you can have it both ways but this was the argument and we also heard it during the 1971 election. They used to say, ladies and gentlemen - I can see them on the platform now - we've got to get rid of these Social Creditors, they're too rural-oriented. All of sudden we've changed. I just thought I'd like to remind the hon. member and I'm sorry he isn't in his seat, he brought the point up.

The hon. Member for Spirit River has touched on one of the things I was going to point out. I think the Opportunity Fund, and some of the changes the hon. minister brought in today, will do much more for the health and economy of the smaller areas of Alberta than all the civil servants and all the departments we can transfer out into the rural areas, and it would be much more of a convenience as well.

I think we're much better off to try to get the local people in the local area and have them develop rather than worry about bringing somebody in on a temporary basis in hopes that we can help them. I think by encouraging them to invest in their own community and stay in their own community we'll have a much healthier and better province.

There's one point I'd like to speak on, Mr. Speaker, I'm sure the hon. minister will touch on it in detail. It does give me some concern when we're increasing the principle, we're using increasing money for research. At the

same time we have so many people who are anxious to get the loans, to get into what they would consider organized and healthy businesses.

I'd be the first one to admit, Mr. Speaker, that we do need some research. The research that I would encourage the minister - and I'm certain that he's doing it - I would encourage the board to research very thoroughly any research programs they authorize and to make sure they are worthwhile projects. We all know that research in many cases is a bottomless barrel and there never is enough money to go around, but we have demands for money from legitimate people especially in the small businesses.

I can remember during the Foothills by-election when somebody asked the hon. member here, I think on the platform, what did he consider a small business? I think he said a \$500,000 business. Well, to me that is not a small business. We have to get down to where we can really help the people with smaller capital, particularly in our rural areas where they're anxious to stay or anxious to rebuild.

I'm sure the minister has this in mind, but as the minister said, the average is running around \$84,000 in the smaller areas. But there are still a lot of people who have come to me, and I'm sure to members opposite - their capital requirements are probably less than \$25,000. They may not employ more than one or two people. That's an important thing but it's not the most important thing. I think if they hire one or two people in a particular small town and that means that those people and their families are going to stay there, that's where the benefits come from.

You may have some losses but I'd sooner have five losses of \$15,000 than one great loss of \$850,000 and I think this is what we have to look at.

The minister has also touched on the points of where he could work closer with groups such as the co-ops and others and I am sure this will be of benefit to our province. I would like the minister to enlarge on his ideas of what research consists of under the Alberta Opportunity Fund in light of the fact that we have many people still waiting to have loans approved for ordinary business transactions that they wish to proceed with now.

MR. DEPUTY SPEAKER:

May the minister close the debate?

SOME HON. MEMBERS:

Agreed.

MR. PEACOCK:

Mr. Speaker, in rising to close the debate I must offer my appreciation of the support from this side of the House and thank the members on that side for the constructive criticism.

In attempting to answer some of the questions that have arisen today we will I am sure, when we go into committee, have much more opportunity to enlarge on them. On the general philosophy of the bill I would be remiss if I didn't cover some of the things that were mentioned such as decentralization.

I know that it is very, very difficult to sit in this House and support the fact that a lending institution of the magnitude that the AOC can be, and it's relatively humble at the present time, should be divested from a metropolis such as Edmonton or Calgary and placed in an area like Ponoka.

Well, allow me to suggest to you the accent of this Legislature identifies with people. People live in communities such as Ponoka, youth grows up in them, the aged stay. Surely psychologically, if for no other reason, the placement of the AOC in a town such as Ponoka must have revitalized and stimulated the thinking process of people who live in communities the size of Ponoka and suggest, strike in their minds and hearts not only the feeling but the ideas that might be developed on how they might stimulate their community and find the way of life with the quality of life that they want in the smaller communities.

MR. LUDWIG:

Mr. Speaker, ... [Inaudible] ...

SOME HON. MEMBERS:

Aw, sit down.

[Interjections]

MR. LUDWIG:

It is with regard to the number of people, the number of staff.

MR. PEACOCK:

When I am through, Mr. Speaker.

I think that we can philosophize on decentralization. We can get into the economics of the cost, we can identify the opportunity of the labour pool to be easily reached and more accessible in the smaller communities in certain industries and particularly the industry that we are referring to and speaking of today, that it can be developed in a smaller community better than it can in a larger. There are many reasons, Mr. Speaker, why this government has chosen to decentralize the Alberta Opportunity Company into Ponoka.

Now in answering the questions of the Member for Calgary Bow, in regard to the applications, I would point out to him that the applications are off the traditional side, they are not in the regular routine of business.

I would suggest to the member that of course, presents a problem. Under any condition a training program - how to assess the viability, and relate into economic terms of and how it can be practically applied and sold in the market place, these are not easy decisions.

This is one of the reasons that the Alberta Opportunity Company is like a little child; it needs the tenderness and kindness of all concerned because it is dealing with people and people are just one component of what is required in order to allow an idea of a citizen in Alberta who wants to apply that idea on a commercial or an industrial basis and make it work. If this could be found in the traditional or historic lending institutions there would be no need for an AOC.

It is because of that lack of sensitivity and so-called centralized control in Toronto and Montreal, that the need has been stimulated for the AOC as the predecessor and now the AOC to be developed in Alberta so that the sensitivity for the people who are responsible, the citizens of Alberta, to contribute to this AOC to afford these ideas of Alberta citizens to develop and mature. For that reason, if for no other, I would suggest that it takes some training, some understanding, to develop that kind of staff so that they can interpret these efficiently and effectively and without danger of rebuffing anybody.

In relation to the board or to the committee and then to the applicant having appeal, I don't quite agree to this. The reason for the quicker decision and the necessity for it is certainly a structural management function by the board in giving the committee, and in turn the committee to particular officers of the company, the privilege of dealing with the application, we hope to speed up the whole process.

We recognize that we have been tardy in many, many instances but we hope that by better understanding and better lines of communication and by the amendments in this act we will be able to do that better job.

We have many programs that we must look at in answer to increasing the size of the board of directors, in the regional development of Alberta in looking at all those problems to allow the people who want to live in rural Alberta and do something for themselves and afford them an equal opportunity so they can get that quality of life in rural Alberta as well as they would find it in urban Alberta - urban being Calgary and Edmonton in this instance. We recognize that there is no way that we can develop industry, even processing of agricultural products, outside the two big cities if we don't look at freight rates and understand what rate groupings are all about. So we have addressed ourselves to that problem and we are working on it.

We recognize that if, land-locked as we are, we are going to perform our function of allowing the digression of people to be moving into the hinterland of Alberta, in finding their way and doing their thing, that we must afford in the rural communities of Alberta the necessary requisites of water, sewage, housing and all the other social demands that are required in order to allow the

rural person to identify himself with the community and find justification for bringing up his family and staying in that rural area.

As far as the hon. Member for Lesser Slave Lake and his remarks covering trapping and fishing, it was announced by an hon. member over here, in enlarging and in the modification of the act, and identifying all commercial enterprises are now covered, it certainly answers that problem and it does cover it.

I suggest that in the area of acceptance or rejection of AOC loans, they are not made by one person as the hon. Member for Calgary Buffalo suggested, but by either a loans committee or a board of directors. And while there is not an appeal board, all the loans can be reconsidered by the managing director. So there is another recourse for any reject of an application.

Mr. Speaker, I will be pleased to speak in more detail in the clause-by-clause debate in regard to this bill and ... [Inaudible] ...

[The motion was carried. Bill No. 82 was read a second time.]

MR. HYNDMAN:

Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into Committee of the Whole for consideration of certain bills on the Order Paper.

HON. MEMBERS:

Agreed.

[Mr. Deputy Speaker left the Chair.]

* * * * *

COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

Bill No. 57 - The Disaster Services Act

MR. WILSON:

Mr. Chairman, to start off, I must confess that I made an error last Friday when I was speaking on this bill. I stated that the summary of the public meetings left out Calgary. Since then, the hon. minister sponsoring this bill has supplied us with additional information regarding the meetings in Calgary.

But I must point out, Mr. Chairman, that the mistake I made was that it wasn't only Calgary that had been eliminated. The summary had been prepared before the meetings in Grande Prairie, Camrose, Airdrie, Edmonton, Fort Saskatchewan and Leduc. So it seemed rather strange, Mr. Chairman, that the summary was written when only half of the public meetings had been held. I thought we should rectify that situation and bring that to light.

Perhaps the hon. minister in charge of this bill could satisfy our curiosity regarding the original summary in the five pages he supplied. The way it is presented to us looks like it's half a double-spread sheet and we are rather curious as to what was on the other half that we didn't receive, Mr. Chairman. That might be something the hon. minister could advise us of.

Mr. Chairman, we thank the minister for supplying the additional information on the Calgary hearings which he tabled the other day, and would invite him to comment on the information on the other centres where the meetings were held after the summary had been prepared, and as to whether or not he had submissions or any material submitted to him from those other centres.

DR. HORNER:

Mr. Chairman, as I indicated before and prior to, and I repeat again, the other meetings identified similar problems that were listed in the sheet and it just wasn't worth duplication. Because of the intense interest in the Calgary area and the civil rights issue, I thought the hon. member would appreciate a complete breakdown of the meeting held in Calgary. Because the error he admitted to wasn't the only error he made the other day. He made several of them in his speech. The meetings held in Grande Prairie, Camrose, Airdrie,

Edmonton, as I indicated before, the major points that are in the summary sheets are covered in the matters which are raised there.

I would say, Mr. Chairman, that essentially the people who turned out at the meetings in the other centres were those people who over the years have been concerned with the Emergency Measures Organization, those volunteer people who have been doing the work in the organization through the years. These were the people who were interested enough to come out to the meetings and to make the kind of recommendations they did.

For the hon. member's elucidation the other half of that sheet contained specific recommendations to the minister. As far as I'm concerned, I consider that privileged and similar to a memo from my department head.

DR. BUCK:

Mr. Chairman, I would just like to ask the hon. minister a question. He mentions the people who were involved previously. For example, at the meeting in Fort Saskatchewan there were people from Holden and Ryley and that area. Were these people, who have been involved in EMO for a long time, paid mileage to come to these meetings, or did they just come as volunteers?

MR. HINMAN:

There are a couple of sections where I would like to move amendments, seconded by the hon. Member for Lethbridge, Mr. Gruenwald. As to Section 12 ...

MR. CHAIRMAN:

Mr. Hinman, I gather we are supposed to go section by section because of the amendment. Would you like to hold that until we get to those sections?

MR. HINMAN:

I thought, Mr. Chairman, we had decided to deal only with sections that people wanted to deal with. But if you want to go section by section that's fine.

[Sections 1 through to 11 were agreed to without debate.]

Section 12

MR. HINMAN:

Mr. Chairman, I would like to move, seconded by the hon. Member for Lethbridge, that Section 12 be amended by renumbering it as Section 12(1) and by adding thereafter the following subsection:

Notwithstanding subsection (1) the Minister or any official or other person acting under his direction or authorization is liable for neglect of duty or misuse of authority in carrying out his duty under this Act or the regulations.

Speaking to this amendment, I am not sure how important this is in the actual functioning of the act in the time of a disaster. The important thing is that many people in my constituency were very concerned that Section No. 12 specifically removed the liability of the minister or those who might be appointed under regulation. They realize that there is a court procedure by which you can try to establish the liability of anybody for neglect.

But they would feel a great deal more comfortable if it were specific in the act. Neglect or abuse of authority is something we ought not to anticipate having to put up with. Consequently, on their behalf, and with my full approbation, I move the amendment as you have it. I think the hon. members all have copies of this amendment.

DR. HORNER:

Mr. Chairman, we are agreeable to the amendment. But might I suggest to the hon. member just a minor sub-amendment, that in place of "duty" perhaps the word "duties" might be better.

MR. CHAIRMAN:

Do you agree to that subamendment?

HON. MEMBERS:

Agreed.

MR. LUDWIG:

Mr. Chairman, I think a comment on Section 12 - and I commend the hon. member, Mr. Hinman, for bringing in the amendment because there is really no need to give such extensive protection to any public employee who would deprive other people of their property or their rights. They should not be denied, under any circumstances, subsequent review by the courts.

We all know what an emergency is. There may have to be hasty decisions made, and there might be improper decisions made. No one would fault the persons making the decision who get tremendous powers under this act. Nevertheless there is no need to perpetuate ... [Inaudible] ... because these people who had been deprived of their property in an emergency would perhaps have public support in compensation. Society, as a whole, can withstand a loss a lot easier than an individual.

This principle is endorsed in almost everything we do. When an individual has to sacrifice some property for the common good or the well-being of all the people, then society, as a whole, has to pay. So the principle the hon. Member for Cardston has expressed in support of the amendment should be the one we follow throughout the whole bill.

I am surprised we even try to go against this principle, it is so well-established. I believe people will seek compensation and no reasonable person or government would deny it to them. It must not appear that any effort is made to deprive them of compensation or redress for any wrong done, if it is in the interest of the people. This principle is found throughout all our legislation. It is a step backward but primarily an indication that the opposition should be very much on guard because of the effort to try to implement such legislation.

I wouldn't want to say the hon. Deputy Premier and his staff did this without serious thought, but I believe that perhaps they did put this bill together without weighing the ramifications of some of the sections. The public has expressed serious concern and is continuing to express serious concern and I commend the hon. member, Mr. Hinman, for bringing in this amendment. I hope the same attitude of the Deputy Premier will prevail when we point out other sections in other parts of his bill, that civil liberties are important.

Mr. Chairman, I must point out that there is too much of a disturbance in this House. I presume you are in charge. Will you kindly see that I can speak without being disturbed.

AN HON. MEMBER:

Hear. Hear.

MR. CHAIRMAN:

No further questions. Agreed to Section 12 ... Mr. Dixon.

MR. DIXON:

Mr. Chairman, I would like to make one or two remarks while we are on this. Maybe the hon. minister could answer them. I notice the hon. Member for Camrose got himself into trouble over the last gas disaster they had in their area a few days ago.

Let's use the disaster in the Camrose area as an example. What liaison was made with the cabinet before a decision was made to evacuate the people? It has since been proven that there was very little danger. Well, this is fine, Mr. Minister. Do you agree with the hon. Member for Camrose when he says, civil liberties be damned? I think this is the thing we have to protect, regardless of whether we have a civil disaster bill or not.

All I wanted to know from the hon. minister is, what steps were taken before this thing was declared a disaster? I think this is what the average person on the street is asking.

DR. HORNER:

Well, you know my hon. friend reads the newspapers well but doesn't bother doing any research. The situation, of course, is that nobody knew how much

hydrogen sulfide was in the gas. In fact the Department of Environment monitors were turning the gadget used to detect it, which is a white chalk-like stick, brown which indicates hydrogen sulfide in the air.

In spite of the fact there are some wise-acs in the press who don't appreciate the danger of hydrogen sulfide, the fact remains you only need about three whiffs of any substantial concentration - after people were dead, there wouldn't have been much use evacuating anybody.

As far as I am concerned, the decision to evacuate was made at the proper time in consultation with all the people involved in the area through the Camrose Emergency Measures Office, with a really splendid effort on behalf of the RCMP and other departments involved.

I may say a very creditable effort was made by the company involved as well. They certainly put people and machinery into the area quickly. To suggest for a moment that it was anything but a real - it wasn't declared a disaster because we met with the local officials, both the county and the town and had all the reports in from the various technical people.

Mr. Chairman, if the hon. member expects me, as the minister in charge of this act, to wait until people die before we declare a disaster or make some moves to evacuate he has another think coming. We are trying as well as we can to protect the civil liberties of everybody in Alberta, in a major way - much more so than the previous Act. I accept the amendment by the hon. Member for Cardston, even though it is my view that as a matter of fact Section 12 - even though the amendment may not be required to do what he wants to do. I think that is implicit in any government legislation and I think the hon. member would agree.

To make it perfectly clear, we are quite willing to accept the amendment.

SOME HON. MEMBERS:

Agreed.

MR. DIXON:

Mr. Chairman, to the minister. I wish to clarify. The reason I asked him the question is the very answer he gave me, which I appreciate. There has been some thought that it was just a haphazard organization as far as moving the people out.

DR. HORNER:

Mr. Chairman, in fairness to the radio station in Camrose and in fairness to the people who worked all that night and went without sleep, for the hon. member to suggest a haphazard organization is just totally incorrect. It is leaving a false impression on a number of people who worked very hard throughout the night - practically all of them as volunteers.

MR. RUSTE:

Mr. Chairman, just to further what the hon. minister said. I happened to be listening to my radio in the field that night. I certainly concur with him in the action taken that evening. There were a lot of people who were interested. There were a lot of people being kept informed as to what took place. So I certainly don't fault him on that occasion.

One point I would like the minister to explain to me is there has been some reference to the possibility of someone having set that well afire. What would the ramifications have been there?

DR. HORNER:

Pretty substantial ramifications. That was one of the considerations that night, as to whether or not in fact the well should have been set on fire. The technical difficulties might be better explained by some of the people more involved in the oil drilling business, but as I understood it, the problem was to try to close off the well. They had some perforated pipe. Ordinarily you just pinch the pipe and you close it off, but with perforated pipe that became impossible. The danger of setting the well on fire is that you would have destroyed the rig and then you would have had nothing to get hold of this perforated pipe. That was considered during the night - about 4:00 o'clock in the morning - in discussions with Sun Oil out near the wellsite. That was the

general argument. There are some other technical things other people brought in.

[Section 12 was agreed to.]

[Sections 13 through 15 were agreed to without debate.]

Section 16

MR. CHAIRMAN:

In Section 16 we have two amendments. Any questions on the amendment, Mr. Minister?

DR. HORNER:

Mr. Chairman, with regard to the amendments to Section 16, again to make it perfectly clear, I am quite willing to accept in place of the amendment I put forward the amendment of the hon. Member for Cardston which, in fact, expands upon the compensation aspect. I'm quite willing to accept his amendment there. But I would like to see Clause (a) and those first two amendments passed, and then substitute in Clause (b) the amendment that the hon. Member for Cardston did propose.

MR. LUDWIG:

Mr. Chairman, I have a question with regard to the first amendment, that is 16 (c). It states in the bill, "apply or utilize any real or personal property by expropriation, confiscation or any means he considers necessary." The amendment states, "acquire or utilize any real or personal property considered necessary to prevent, combat or alleviate the effect of an emergency or a disaster".

I would like to know just how he would go about acquiring or utilizing any real property? What would he do other than he would have done under Section 16 (c) as it appears in the bill? He must have some means or some authority or power to get this. What is the alternate move by the minister now that the amendment is in there?

DR. HORNER:

Well, really the amendment is again in response to the question of civil liberties, the question of confiscation, and we think "acquire or utilize" is the way. You would acquire, if necessary by expropriation, which is implicit if it were a matter of property.

The "utilization" is similar to a clause in the lands and forests fire protection sort of thing, that they utilize equipment. That, combined with the compensation clause, I think, adequately protects the individual.

MR. LUDWIG:

I'm not clear yet because when you talk about acquiring by expropriation, that is not a simple procedure ...

DR. HORNER:

I know that.

MR. LUDWIG:

... even if the procedure were simplified.

But I'm sincerely concerned about the fact that there must be some way of acquiring property, for instance, and I'm not trying to create an obstacle, but I want to know. People who will ask us about this bill, people who are sincerely concerned, will want to know, what is the actual procedure?

How are we going to acquire, for instance, if there were a bush fire. Will you tell some fellow, you get out of here because we need to burn your house down. We want a sort of fire barrier. This is just an instance, but the minister wants authority to acquire property and now that "confiscate" and "expropriation" is out, will he have the right to do exactly what he did before without the words, the offensive words, being in the section?

DR. HORNER:

It's primarily as we consider it, Mr. Chairman, a question of utilization. I can't imagine, frankly, any area in which you would want, in fact, to expropriate property, but that could be done. I appreciate that's a legal process and would be done, if you like, later on. But primarily it's a question of utilization in making sure that compensation is paid for that utilization. To me the attempt here is to soften the clause and to make it abundantly clear that once we utilize that property, real or personal, the person is entitled to compensation for that utilization.

I don't know whether I can add anything more to it other than that the authority of the act would allow utilization of property or equipment that would be required in the time of disaster.

MR. LUDWIG:

Mr. Chairman, the hon. minister's attempt was reasonably good, but he still didn't tell me how. Would you commandeer? For instance, if somebody had a water truck and you say, well we need your truck, you get out, we want to drive it. We don't want to argue because we are in a hurry. So you will continue to commandeer if necessary - using a military term. You merely pacified the civil liberties people that the words are not as offensive but the act, itself, may well be, under circumstances which would warrant some immediate action.

MR. BUCKWELL:

I want to ask a question of the minister. In Section 15 you're dealing with a declaration of a state of emergency, and Section 1 (16), "Upon the making of a declaration."

Now in the case with this ruptured well, I could see a condition, say early on a Sunday morning, when you couldn't get a declaration. There could have been an extreme emergency, say a derailment of chlorine gas or something like this. You have the power to go ahead even though you haven't got this declaration?

DR. HORNER:

Well, as soon as the cabinet or the Executive Council could be brought together the formal declaration would be made. In the meantime I would expect the disaster service people to be in the field with the police and other people involved.

As I see it, the declaration of a state of emergency has to be kept for a pretty major emergency in that it would involve the entire cabinet and so on.

MR. WILSON:

Perhaps the hon. minister could give us an idea of identification of the people he would be using, the people he would authorize to enter buildings and so on. How would they be identified? And how could the general public separate the legitimate people operating under the direction of the minister and those who may be taking advantage of the situation for nefarious activities?

Could the minister outline briefly how the identification would be carried out?

DR. HORNER:

I think that is an important point. It is essential that the emergency measures or disaster services people, if this act is passed, have identification that people will recognize immediately.

We intend working with the RCMP to develop that kind of identification system so that the people would be aware very quickly - and this will take some education and working through the local disaster services agencies - to establish the question of identification very readily and quickly.

At a recent conference in Regina we had some discussions on what they have done in Manitoba, in particular in the greater Winnipeg area in which they have developed this fairly well. Whether or not that will work for us - we have an identification system at the moment, I don't think it's good enough, but we will be improving it so that we can effectively identify people immediately.

You also have to involve the various police forces in that identification process because in a case of emergency on a lot of occasions they may not be in

uniform. So we want to have the identification system for all the people who may be involved. But it is an important point.

MR. DIXON:

On that subject, Mr. Chairman, to the hon. minister. In Calgary we have a different situation where it seems that the fire department wants to work closer with civil defence people than the police department, and I would even go so far as to say a little jealousy has cropped up between the civil defence organization and the fire department. I'm sure it's the same for the City of Edmonton but I'm more familiar with our own city.

I was wondering what major changes are planned by the government to get greater coordination between what you and I would consider the present emergency situations and the ordinary everyday happenings with the civil defence group?

DR. HORNER:

Hopefully, with the new Disaster Services Act, we will have a clearer definition of who is responsible for coordination, which will be the disaster services agency, and we will be able to establish [a coordination] with the various agencies - of course the fire departments in the major areas are very important parts of that team. I think it is a matter of coordinating perhaps better than we have in the past.

The other important thing, I think, and we're working on it right at the moment, is a monitoring system of the various - oh, highways, the transmission lines that are available, so that we can immediately mobilize the forces that are available in any area much quicker than we have in the past and hope to be on top of any situation that might happen.

MR. CHAIRMAN:

Do we have agreement on this section before we adjourn? Not yet. I wonder, Mr. Ho Lem, if we could call it 5:30 and report progress on this bill. Agreed?

MR. HYNDMAN:

Mr. Chairman, I move the committee rise, report progress and beg leave to sit again.

MR. CHAIRMAN:

Is that agreed?

HON. MEMBERS:

Agreed.

[Mr. Chairman left the Chair.]

* * * * *

[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill 57, begs to report progress on same and asks leave to sit again.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

Before the House adjourns may I mention a request from the press gallery to remind the House of the event which is scheduled for this evening, to which the press gallery has invited all the members.

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

October 24, 1973

ALBERTA HANSARD

68-3739

[The House rose at 5:31 o'clock.]