

## LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, December 14, 1973

[The House met at 1:00 o'clock.]

## PRAYERS

[Mr. Deputy Speaker in the Chair]

DR. BUCK:

Mr. Speaker, on a point of order, seeing as this is a bilingual country, have you ever considered giving the prayers in Ukrainian?

## ORAL QUESTION PERIOD

Western Ministers' Conference

MR. CLARK:

Mr. Speaker, in the absence of the Minister of Industry and Commerce I'd like to direct a question to the Premier. What progress was made at the meeting, held yesterday, of the ministers of the four western provinces and the federal Minister of Transport, Mr. Marchand, as far as the question of freight rates is concerned? Did we get disclosure, or some disclosure, as was promised at the Western Economic Opportunities Conference in Calgary?

MR. LOUGHEED:

Mr. Speaker, all I've had is an opportunity to get a verbal briefing by the minister over the long-distance telephone this morning. He advised me that the western ministers were somewhat disappointed that the federal government did not have in hand both the posed responses that they anticipated on that date or the undertakings with regard to cost disclosure.

However, the minister did advise me that the federal minister, Mr. Marchand, gave a further undertaking to take the necessary steps to assure that the cost disclosure commitment that was made at the Western Economic Opportunities Conference would be honoured, and honoured soon.

MR. CLARK:

A supplementary question, Mr. Speaker, to the minister. It is reported from the conference that the federal Minister of Transport, Mr. Marchand, has in fact told the railroads to produce or else. Is that the assessment Alberta has of the conference to date?

MR. LOUGHEED:

Mr. Speaker, I believe that may be a fair interpretation of it. It wasn't put to me in exactly that way by the hon. Minister of Industry and Commerce, but more on the basis that Mr. Marchand was concerned that he had to come to the meeting without the cost disclosure data anticipated by the western ministers, and that he intended to take the action as quickly as he could to remedy the situation.

ETS Strike

MR. CLARK:

Mr. Speaker, a second question to the Minister of Manpower and Labour.

Following the meetings you have now had with representatives of the city, and also of the transit workers, are you now in a position to indicate to the House that you will arrange a face-to-face meeting between the two groups with yourself, with a view in mind of getting the strike settled this weekend?

DR. HOHOL:

Mr. Speaker, following my meeting with the mayor and the acting chief commissioner this morning, I subsequently met with the vice-chairman of the Board of Industrial Relations and the two mediation officers who are assisting the parties in this dispute. We have, in fact, arranged for a meeting of the two parties this afternoon at 3:30 o'clock.

Mr. Speaker, it is important to note that this is a dispute between an employer, the City of Edmonton, and one sector of its employees, the transit workers. The role of government is an important one, but it is in the area of conciliation and mediation. We have done extensive work over the weeks in this particular and other disputes and will continue to do this. But I know the House appreciates and understands the nature of this dispute between the employer and a sector of its employees.

We will continue to set up meetings and, in addition, assist with respect to procedures and personnel at the bargaining table. We will take every action possible. Certainly I know the House too will agree that while Edmontonians have appreciated the fact that when there is a strike the two parties need to be apart for a while to reassess their positions.

However, that time is likely past, and with the time lapse and the nature of the weather and the circumstances with the season of the year, there is a real onus and responsibility on the two parties to get back to the table, stay at the table, [and] work at procedures - with which we are prepared to assist them - to the end that there in fact be a conclusion. I can't reflect an optimism that I would wish to be able to do. That is the circumstance at the moment.

I would assure you, sir, and the members of the House that the meetings with the three groups with whom I met yesterday and today were fruitful. They were worth having. They're the beginning of further and additional meetings to work out procedures so that as soon as possible there [will] be an end to this particular dispute.

MR. DEPUTY SPEAKER:

The hon. Member for Calgary Mountain View.

Companies Branch

MR. LUDWIG:

Mr. Speaker, I would like to direct my question to the hon. Minister of Consumer Affairs. Has he had requests for increased secretarial staff in the Companies Branch?

MR. DOWLING:

Mr. Speaker, we have had, prior to the budget review, some request for increase of staff in the Companies Branch. We have looked at this very carefully. But before we hire any staff in the department we want to make certain that the staff that is there and the procedures they are using are, in fact, correct to offer the best services they possibly can to the consumer. In view of that we are examining the Companies Branch and other branches under the purview of Consumer Affairs to make certain that they are, in fact, functioning properly with proper staff.

MR. LUDWIG:

Mr. Speaker, a supplementary. Has the minister had any complaints from the legal profession about the poor service with regard to incorporation of companies?

MR. DOWLING:

Mr. Speaker, I had more of those kinds of complaints when I was in opposition.

MR. LUDWIG:

Mr. Speaker, is the minister suggesting that there is not a problem of secretarial staff in the Companies Branch at the present time?

MR. DOWLING:

Mr. Speaker, what we are trying to do is identify the problem in order that we may offer the best possible service from the Companies Branch. I should say that we have, in fact, been in touch with and viewed the systems that are used in other provinces - Ontario and Quebec in particular - where they deal with some 275,000 registered companies and are on a computer system. We are looking at all of these possible routes that we might travel.

MR. DEPUTY SPEAKER:

The hon. Member for Spirit River-Fairview.

Export Tax

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to either the hon. Premier or the Minister of Federal and Intergovernmental Affairs. Has the government had an opportunity to assess Mr. Macdonald's statement in the House of Commons yesterday with respect to the investment of the export tax in the producing provinces, and further, could the Premier advise the Assembly of what the proposition is in its fullest extent?

MR. LOUGHEED:

Mr. Speaker, no we are not in a position to respond to that. Being involved in legislative matters here in the Assembly, we haven't had an opportunity to either analyse the statement or in any way be in a position to respond.

MR. NOTLEY:

Mr. Speaker, a further supplementary question to the hon. Premier. Has any representation been made to the federal government at any time that the proceeds of the export tax be kept in trust pending the national energy conference?

MR. LOUGHEED:

Mr. Speaker, I don't think so specifically, with regard to that. I think there has been some suggestion made that some of the legislation before the federal House at the moment might be better served by being held in abeyance until the meeting the hon. member refers to.

#### ORDERS OF THE DAY

#### MINISTERIAL ANNOUNCEMENTS

#### Department of Mines and Minerals

MR. DICKIE:

Mr. Speaker, perhaps I could just take a moment and report on some questions directed to me or to the hon. Premier.

The first one is by the hon. Member for Wetaskiwin-Leduc. He was inquiring if the government had received any complaints from producing companies relative to difficulties in acquiring gas reserves for pressure maintenance and secondary recovery.

Mr. Speaker, the government didn't receive any complaints nor has the Energy Resources Conservation Board. But we did ask the Energy Resources Conservation Board to make a check. They have advised us now that there are two schemes that are presently experiencing shortage of natural gas for secondary recovery. Both schemes are the solvent flood and both are located in the Rainbow field. They have also advised us that it is really not a concern of a current natural gas

shortage, but more, perhaps, on the long-range point of view. But they feel that that could be rectified.

Mr. Speaker, on a question from the hon. Leader of the Opposition: Is the government aware of the decision of the government of the United States to impose export quotas on petroleum products, and what effect will this decision have on the availability of such products in Alberta?

Mr. Speaker, that was a press report and we were aware of that notification. We have been unable to check through the U.S. Consul office here as to whether they are actually proceeding on that. But this report, I think, indicated that the United States government might be proceeding on Wednesday or Thursday. We haven't been able to receive any direct confirmation that they are so proceeding with those quotas.

On the question of the impact on Alberta, we have received information that would indicate that under the statistics by the federal government - and I might mention here that our Energy Resources Conservation Board does not keep statistics on imports of refined products, they are just concerned about statistics of our other products - in 1972, the number of imports was some 49 barrels a day of refined products. That was mostly lubricating oil and grease.

We did ask them to bring that up to date, and they brought the figures up from January, 1973 to August, 1973. That [figure] has risen to some 76 barrels a day which, Mr. Speaker, I think is considered an insignificant amount. So the answer would be not a significant impact on the Province of Alberta.

The third question, Mr. Speaker, was directed by the hon. Member for Drumheller. His question was: Will there be a cutback in the supply of aviation fuel in Alberta for commercial airlines and private operators?

Mr. Speaker, again, that question isn't in information that we do have. However we have met with the refineries in Alberta that supply the various products and we particularly contacted Texaco Canada, Imperial Oil and Gulf Canada. They have advised us that they are now meeting their commitments. There is no cutback. They are receiving requests for additional supply, in addition to their existing contracts, and they are meeting those as the supplies become available.

#### The Department of the Environment

MR. YURKO:

Mr. Speaker, on December 10 the hon. Member for Pincher Creek-Crowsnest asked me a question in regard to the low water levels in some of the tributaries of the Oldman River and the fact that the fish were being asked to walk rather than swim. As the answer to that question is fairly lengthy, I would like to table the answer for the hon. member's information.

#### The Department of Telephones and Utilities

MR. FARRAN:

Mr. Speaker, I'd like to clarify for the members of this Assembly the matter of the roll-back of propane prices mentioned earlier this week by the hon. Premier.

There is apparently confusion in the industry in Calgary arising from news reports which don't make it clear that the government action will pertain to wholesale prices and producers at this time, and not to retail prices and distributors. This is not to say that we will not be watching to see that adjustments in the wholesale price are passed on to consumers. If they are not, in fact, further action may be taken in the future.

The intent of Bill No. 97, The Gas Utilities Amendment Act, 1973, is to give the Public Utilities Board the power in the first instance, if deemed necessary, to regulate the wholesale price of propane and butane used in Alberta. This is the price paid by Alberta distributors to the producer of the gas.

#### FILING RETURNS AND TABLING REPORTS (Reversion)

While I'm on my feet, Mr. Speaker, I would like to table copies of the final report of the propane inquiry by the Public Utilities Board, dated December 3, 1973.

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ORDERS OF THE DAY (CONT.)

## GOVERNMENT MOTIONS

3. Hon. Mr. Lougheed proposed the following motion to the Assembly, seconded by Mrs. Chichak.

Be it resolved that, this the Assembly do request the Government of Alberta to extend a cordial invitation to Her Majesty Queen Elizabeth the Second and His Royal Highness Prince Philip to visit the City of Edmonton during the month of August, 1978 at which time the British Commonwealth Games are to be held in that City.

MR. LOUGHEED:

Thank you, Mr. Speaker.

Mr. Speaker, as hon. members are aware, we did pass a motion in this Assembly unanimously and extended an invitation to Her Majesty and Prince Philip hopefully to become involved in the celebrations regarding the Royal Canadian Mounted Police in 1973 and 1974. We were pleased and honoured to have Her Majesty and Prince Philip in Alberta during July of 1973, and at this stage I would have to say it's doubtful that we would anticipate their visit during 1974.

However, I think it's fitting and appropriate that the Legislature approve such a motion and commend the motion to the members of the Assembly. Having regard to the British Commonwealth Games, and in particular His Royal Highness Prince Philip's interest in physical fitness, it would be most appropriate, if their schedule [made it] possible, for them to attend and participate in this very important event for Alberta and for the nation.

I therefore so move, and I believe the seconder, Mrs. Chichak, would like to add to my remarks.

MRS. CHICHAK:

Mr. Speaker, in seconding this motion I certainly concur with the comments of the hon. Premier and, of course, there are additional comments that could be and should be made at this time.

First of all, I'm sure I'm speaking on behalf of the Mayor of the City of Edmonton and the citizens of the City of Edmonton in saying that we would be most pleased if this Legislature approved unanimously the extending of an invitation to Her Majesty Queen Elizabeth II and His Royal Highness Prince Philip to attend the British Commonwealth Games in 1978 in the city of Edmonton.

I think we need to review, in fact, a little bit the tradition and the meaning of the monarchy to this country and to the nations in the Commonwealth. If we review our provinces in Canada and our establishment and development of Canada as a dominion, and of Alberta as a province - the Princess Province of Canada - and of course the City of Edmonton, which is the Queen city of the Province of Alberta, I think it would only be fitting that Her Majesty should be invited to participate in this very important event in which the nations of the Commonwealth have been invited to participate and which will bring a great deal, not only to the City of Edmonton, but to the province and to Canada as a whole.

I think it can be recognized that our monarchy has been given its due recognition and respect in the countries of the Commonwealth, and I think we can do no less. When we review some of the names of the City of Edmonton, just prior to the Second World War when King George VI and the Queen visited Canada and toured this province and the City of Edmonton, of course we named after them what we now know in our streets within the City of Edmonton as Kingsway. Then later, when the Princess - at that time, Princess Elizabeth - visited this fair city of ours, we honoured her by naming Princess Elizabeth Avenue.

In recognizing again the warmth extended to Her Majesty and His Royal Highness in July, 1973 when they attended and recognized the centennial celebration of the RCMP, I think the citizens of Alberta expressed their respect and continued allegiance to Her Majesty. We, as citizens of Edmonton and citizens of Alberta, in having won the battle of hosting the nations of the Commonwealth, would be very much remiss if we did not wish to have the Head of

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this Commonwealth honoured again, and traditionally, and attend the Games in the city.

It is an honour, I would say, to have had the opportunity to second this motion. I have no doubt that each and every member in this Legislature will feel that we would be very much remiss, and I would certainly, without hesitation, vote in favour of this motion.

Thank you, Mr. Speaker.

MR. CLARK:

Mr. Speaker, the members of Her Majesty's Loyal Opposition are delighted to have the opportunity to support this particular government resolution. We support this resolution with a great deal more enthusiasm than we support other government resolutions.

Secondly, might I say, we genuinely and sincerely hope that Her Majesty and His Highness will, in fact, come to Alberta in 1978.

MR. NOTLEY:

Mr. Speaker, I think it is certainly excellent in a way that after a two week session where we have had a great deal of controversial debate, we can all, regardless of where we sit in the Assembly, support the resolution introduced by the hon. Premier and seconded by the hon. Member for Edmonton Norwood.

I wholeheartedly support it. I think the invitation to Her Majesty is certainly excellent and one which recognizes the importance of the Commonwealth and also underlines the tradition of parliamentary government which is one of the most priceless heritages we have, and one which is really the foundation of our democratic system of government in Canada.

I'm very pleased to be able to support this resolution.

AN HON. MEMBER:

Agreed.

MR. LUDWIG:

Mr. Speaker, I too wish to lend my support to the motion and welcome the announcement. I only hope that the government will give every consideration to Her Majesty being able to visit her favourite spot in Alberta, namely Calgary.

SOME HON. MEMBERS:

Agreed.

[The motion was carried.]

4. Hon. Mr. Hyndman proposed the following motion to the Assembly, seconded by Mr. Clark.

That, a Special Select Committee of the Legislature be now established under the Chairmanship of the Speaker and consisting of the following:

Messrs. Appleby  
Clark  
Cookson  
Cooper  
Hansen  
King

with the power to meet at the call of the Chair, receive remuneration in accordance with Section 59 of The Legislative Assembly Act, incur reasonable expenses which, subject to the approval of the Chairman, shall be paid from Appropriation 1902, and further, that such Committee shall continue effective until the prorogation of the 3rd Session of the 17th Legislature.

MR. HYNDMAN:

Mr. Speaker, I move, seconded by the hon. Leader of the Opposition, Motion No. 4 standing in my name on the order paper.

MR. FRENCH:

Mr. Speaker, I think there's something missing in the wording of this resolution. I wonder what the duties of this committee are, or what are the terms of reference.

MR. KING:

Mr. Speaker, the hon. member opposite is just too quickly to his feet.

I have an amendment to the resolution which I would like to move, seconded by the hon. member Mr. Lee, that the words "on Members' Services" be added in the first line of the text, after the word "Legislature". So the text of the resolution would read: "That, a Special Select Committee of the Legislature on Members' Services be now established."

SOME HON. MEMBERS:

Agreed.

MR. DEPUTY SPEAKER:

Any question now on the amendment?

[The amendment was agreed to.]

[The motion as amended was carried.]

5. Hon. Mr. Hyndman proposed the following motion to the Assembly, seconded by Mrs. Chichak:

That, the report of the Legislative Committee on Professions and Occupations be placed in the hands of the Queen's Printer for the purposes of such publication and sale considerations as may arise in response to public enquiry.

MR. HYNDMAN:

Mr. Speaker, I move, seconded by the hon. Member for Edmonton Norwood, Motion No. 5 standing in my name on the order paper.

MR. HINMAN:

Mr. Speaker, I'd like to move an amendment to the motion to add at the end these words:

And, further,

That the distribution of the balance of copies of the Report already printed be decided on by the Members who prepared the said Report;

And that the Queen's Printer do provide to such Members as may request, without charge, up to five copies of the Report when same are printed.

Mr. Speaker, I think this motion is debatable, and I would like to say a few things about the report at this time.

One of them is that I did appreciate the leadership given to the committee by Mrs. Chichak. I think many times men resent the leadership of women because they are afraid it will be a push instead of a pull. This was not the case. I was particularly impressed with her sensitivity to the reactions of little people.

I found out many years ago that you can hold all the public hearings you want and you will only get two kinds of reaction: people who are bitter and have a certain complaint which they find they can relate, and people who have a point of view well established and who are accustomed to making speeches and appearing in public.

But if you want to get the grass roots, it isn't enough to invite them to make presentations. You have to go out and you have to talk to them around the subject. You have to sort of put words in their mouths or at least ask questions. Finally you have to get the feeling for their opinions. Our chairlady was an expert at this.

Now this was a difficult committee because I don't think you could have found any topic for a committee study for which it would have been less possible to get a completely unprejudiced group of committee men. We were dealing with professions and occupations and we had a doctor and a couple of "liars" ...

[Laughter]

...a psychologist, a farm hand, an insurance man, an eye man, and so it goes.

It was evident from the beginning that while the intent of these members was to give this a pretty unbiased hearing, all of us had come with some preconceived notions. And it turned out to be all to the good because it meant that these people could evaluate the submissions made to the committee with some understanding. At least there was somebody there always to point out the relevance of the things which came to us.

The topic is perhaps of wider interest than the Legislature might have interpreted it to be. And while I think in the end a committee report always foists onto the government the making of some difficult decisions, I do feel that the committee did two or three things. It pointed up what might be considered the criteria for public interest. It pointed up some of the needs which are always felt in such matters and it made some pretty direct recommendations which the government can at least discuss. In the end it will be up to the government to make decisions and at that time the members of this House will get a chance for a complete debate.

I did enjoy this committee. It was a little tedious at times. I think it served a good purpose and I recommend that all of the members of this House read it and when you get home, take it to some of the people whose opinions you value so that you can come back and if the action of government permits a debate, you can really reflect the wishes of the people of Alberta. Thank you.

MR. LUDWIG:

Mr. Speaker, I would like to say a few comments concerning this report. I sincerely hope that it will be given a full opportunity of debate in the next session and I will probably move a motion to that effect since that appears to be the right way to go.

With reference to the legal profession by my colleague, I want to tell him that "he who calls a lawyer rogue finds out too late. On one of these depends his whole estate."

I also wish to say that I am not at all optimistic that this report is going to bear any benefit at all to the public. It requires a serious effort by the professions to look at themselves. And when I look at the present government with perhaps 15 or 16 professional people in it, I am not at all impressed that they are going to rock the boat. In fact I am sure that they will do nothing.

And particularly when you have 12 lawyers, when I look at this kind of report and look at the number of lawyers they have, I get the impression that there will be no changes because nobody with four aces wants a new deal.

I think it is going to require a lot more initiative and a lot more dedication and concern for the people, rather than just a stage performance to sincerely tackle this problem and not make it [appear] to the people that we are doing something. I think it is up to the opposition now to carry this thing one step further and hold the government to its professed concern and see whether we can't come up with some really meaningful reform. I am sure that I will get support for this idea from both sides of the House.

I just wanted to make these few remarks. I think the initiative this time, notwithstanding the preponderance of professional people on that side, should be taken by the professions and some really meaningful reform ought to come forth in the interest of the public good. So I think that we should not now - but I will move a motion in the next session to give this thing a full airing and see whether we are prepared to go in the direction recommended although my opinion, from my first look at this report, is that it doesn't go nearly far enough.

MR. RUSTE:

Mr. Speaker, in referring to this, I detect there is a limit in the number that are going to be made available to the members. I would like the minister, when he closes the debate, to indicate to us that this is not so. Because, as members, we are in contact with many people, and I know report No. 1 was sent to a lot of people.

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Yesterday I sent a note across to the hon. member who is the chairman of the committee, requesting additional copies. She indicated to me to let her know and she would let me have these copies. In closing the debate, I would like the hon. minister to indicate to us that, as members, the numbers we require are available to us.

MRS. CHICHAK:

Mr. Speaker, just before the mover closes the debate, I would just like to make some clarifications.

Perhaps the hon. Member for Wainwright misunderstood when I sent him a note back indicating that there were not additional copies available at this time for the members other than the ones delivered to them, but that this would be a matter to be debated and approved in the House. Whatever decision would be made in the Legislature, then such copies might be made available.

So I must apologize if there was a misunderstanding in my note. I would just like to stress or indicate to the members that when the interim report was tabled and made available, the approval of the Legislature was not asked insofar as the number of copies that should be printed and how they should be distributed, because it was in the continuation of our work. At the time we were structured as a committee, we felt it was necessary as part of our work for us to communicate to as many Albertans [as possible] the complexity of the study and the matters, the very breadth of the subject that had to be considered and well considered in order to come back with a fair balance of what we, as a committee, felt might be the direction the Legislature might approve.

I think it would be interesting for members in the Legislature to know that approximately 7,000 copies of the interim report were distributed. This might give you an idea of the kind of request or demand there was, and concern that existed on the part of citizens insofar as the study was reviewed.

It was my understanding that we were a committee under, and only given such powers as the Legislature gave us. One of those powers was not to determine the number of copies or the distribution of the final report. Inasmuch as this is not just an internal report for government but affects very much the public at large, I feel it is important for the members of the Legislature to consider the restriction of the number of copies that might be available to members, as to where you wish to distribute them. [This] should be properly considered.

As well I know we must consider the budget and how far we can stretch this. I am in agreement to a degree with the amendment put forward by the hon. Member for Cardston. However, the members may not feel that the additional five copies are sufficient to give you or enable you to seek out such reactions as you feel would give you adequate background information, if and when a motion is put forward on this report for debate in the House, that you would be able to debate adequately in the House. Whether you feel there should be an increase in the number of copies that each member should have available without charge to that member is something perhaps you want to consider this afternoon. But I think it is important to recognize that the interest is very broad and the distribution of the interim report has certainly indicated that.

[The amendment was agreed to.]

[The motion as amended was carried.]

GOVERNMENT BILLS AND ORDERS  
(Second Reading)

Bill No. 87 The Alberta Insurance Amendment Act, 1973

MR. DOWLING:

Mr. Speaker, I move, seconded by the hon. Minister of Culture, Youth and Recreation, second reading of Bill No. 87 The Alberta Insurance Amendment Act, 1973.

Over the past number of years, Mr. Speaker, certain parts of the Alberta insurance industry have been plagued with financial difficulties. It has been determined that one of the reasons for these difficulties, and the reason for the failure of certain insurance companies to perform successfully, was a basic lack of sufficient capital when they were first incorporated.

The lack of success has generally reflected poorly on the financial community of Alberta, has given a bad image to the insurance industry, and as a result has generated additional burdens for those insurance companies that have maintained their position of viability.

To ensure that new insurance companies are properly capitalized, therefore, must be our first priority.

A second priority involving the same principle, Mr. Speaker, is to provide for the legislative mechanism that will assist Alberta insurance companies to amalgamate, thus affording them an option which could be used to further strengthen the financial base of the amalgamating companies, as well as reduce their overhead.

Under the present Act, Mr. Speaker, it is possible to syphon off large sums of an insurance company to other corporations controlled by the principals of those companies. It is vital, therefore, that changes be made in the Act to prevent a repetition of practices such as this that are not in the public interest and are detrimental to the policyholders, the shareholders, and the industry generally.

It is important also, Mr. Speaker, that Alberta insurance companies be allowed to compete on the same basis as extra-provincial or federally licensed companies.

We have, therefore, proposed that the Alberta incorporated companies be allowed to invest in real estate and mortgages in their segregated funds, an investment privilege that has now for some time been provided to both federally incorporated and extra-provincial companies.

In addition, Mr. Speaker, as a result of our studies and out-of-House studies, it has been determined that the minimum limits for compulsory automobile liability insurance must be increased. The increase proposed is consistent with the trend of increasing coverages required for damage arising from automobile injuries, and will bring the Alberta automobile minimum limits to a level already established in many provinces.

Provision is also being made to ensure additional protection to the automobile insurance policyholder and to innocent victims involved in property damage and personal injury caused by automobile accidents.

In summary therefore, Mr. Speaker, the principles involved in the amendment are that the government have some responsibility to ensure:

1. That insurance companies licensed and operating in Alberta do so providing they are financially capable of meeting their obligations as they arise.
2. To ensure that a healthy investment climate prevails in the insurance industry in Alberta so as to encourage the insurance industry to incorporate and develop successfully here.
3. To ensure that Alberta insurance companies are provided every opportunity to compete on an equal basis with extra-provincial and federally incorporated insurance companies.
4. To ensure that the consumer's interest is protected at all times, and that he be given full, true and plain disclosure of insurance contracts.
5. To ensure adequate protection to policyholders and to innocent victims involved in automobile accidents, and finally,
6. To ensure that certain types of intercompany transactions that are not in the public interest do not occur.

The majority of these proposed amendments, Mr. Speaker, are considered to be uniform amendments, are in the best interests of all Albertans, and do, in fact, strengthen and stabilize the financial climate to the benefit of the insurance industry, the investor and the policyholder.

I urge all members to support Bill No. 87.

[The motion was carried. Bill No. 87 was read a second time.]

Bill No. 91 The Highway Traffic Amendment Act, 1973

MR. COPITHORNE:

Mr. Speaker, I move, seconded by the hon. Minister of Advanced Education, that Bill No. 91 be now read a second time.

This bill deals with the raising of the insurance liabilities from \$35,000 to \$50,000, Mr. Speaker. It involves a very small minority of insurance holders in the province.

MR. TAYLOR:

Mr. Speaker, I support the bill and the increase to \$50,000. I would just like to voice the thought, however, that we are coming into a period where we are now getting judgments beyond \$50,000. I think the government should be carrying out a pretty careful review as to whether or not this should be raised to a higher point at a very early date. Today some judgments reach \$80,000 or \$90,000. While this may only happen once in a person's lifetime, it is a pretty serious thing when it does happen.

Everyone has, of course, the opportunity of insuring for \$100,000 or \$200,000, and I would certainly like to see that encouraged, but I suppose human beings, being what they are, there will always be those who will insure only for the minimum amount that the law calls for. While it would probably be inappropriate at this time to raise the sum to \$100,000, I do think we are getting to the place where higher limits are going to be required at a very early date if costs keep escalating.

The only other point I'd like to make in connection with this aspect of insurance is that at the present time the medical and hospital costs are a charge separate from Medicare. I'm just wondering how long we can logically keep the costs of those who are hurt in an automobile accident separate from those who are hurt in the home, or hurt in other places where they come under Medicare, unless they are under compensation - and still charge a motor vehicle accident to The Automobile Accident Indemnity Act or to the insurance company.

While I have not been an advocate of insurance companies in their premiums - and I still don't like the way they arrive at them - I do think that there could be a substantial reduction in the insurance premium if we put Medicare in charge of those who are injured in accidents. I really can't follow the logic of keeping these a separate item. I think they should logically come under Medicare.

A great deal of hardship is today coming upon some people who may get a \$50,000 or an \$80,000 judgment and then find that 40 or 60 per cent, sometimes 70 per cent, of that is eaten up in medical costs. It leaves that person, particularly if he is crippled for life, in a very, very serious financial predicament.

So I am just advancing those two thoughts to the government. I hope they will give some study to both, with a view to seeing if we can logically increase the minimum above \$50,000 in the foreseeable future. And secondly, that the medical costs be charged to Medicare, and not kept as a separate item chargeable to The Automobile Accident Indemnity Act.

[The motion was carried. Bill No. 91 was read a second time.]

MR. HYNDMAN:

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

[The motion was carried.]

[Mr. Deputy Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The Committee of the Whole Assembly will come to order.

Bill No. 84

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

[All sections, the title and preamble were agreed to.]

MR. COPITHORNE:

Mr. Chairman, I move that Bill No. 84 be reported.

[The motion was carried.]

Bill No. 87

The Alberta Insurance Amendment Act, 1973

MR. CHAIRMAN:

The amendments have been circulated.

[All sections as amended, the title and preamble were agreed to.]

MR. DOWLING:

Mr. Chairman, I move that Bill No. 87 be reported as amended.

[The motion was carried.]

Bill No. 91

The Highway Traffic Amendment Act, 1973

[All sections, the title and preamble were agreed to.]

MR. COPITHORNE:

Mr. Chairman, I move that Bill No. 91 be reported.

[The motion was carried.]

Bill No. 95 The Petroleum Marketing Act

MR. R. SPEAKER:

Mr. Chairman, regarding Bill No. 95, I wanted to make, as I gave notice in the Assembly last evening, an amendment to Section 25. How would you like me to handle that, Mr. Chairman? Shall I proceed at this time?

MR. CHAIRMAN:

Yes, please proceed if you have an amendment.

MR. R. SPEAKER:

Mr. Chairman, I want to move an amendment to Section 25 of Bill No. 95 by adding after the word "Proclamaticn" the words, "but expires on June 30, 1975." It is moved by myself, Mr. Chairman, and seconded by the hon. Member for Cypress, Mr. Strom.

In moving the amendment, Mr. Chairman, I want to say that I was very disappointed with the remarks of the Premier last evening in this Assembly - not disappointed immediately after the remarks, but after considering the implications and considering what was said, I certainly felt that the tide and changes in Alberta were more significant and certainly more changing than I expected them to be.

I had the very distinct feeling that the Premier was saying to us that this legislation - Bill No. 95 - is to be put on the books at this time and is to remain on the books; that as a government, a Conservative government, we will continue to be in the marketing of our petroleum resource; and that we have no intention, whether it violates the principle of private enterprise or not, to ever consider taking that legislation off the books.

I felt it was a significant philosophic change in the Conservative party. Certainly it lends itself to being a precedent in their actions as the government of this province, for how many years that may be. I certainly wouldn't want to predict that at this time. They know by surveys, by indications, that they are riding high on the crest. But, Mr. Chairman, that is the time when a political party should examine very carefully why they are on that crest and some of the directions they have to take to be most responsible to the people who elected them. The crest - as we well recognize as a party and I well recognize as a member who has sat on both sides of the House - can go down as quickly as it rises to its peak.

I feel that last evening we saw a very significant change in the attitude of the Conservative party and the philosophic direction in that particular party.

We can recognize, as I said in my remarks in second reading on Bill No. 95, that that philosophic change certainly may gain support out at the grass roots. But is it the direction we want to give the Province of Alberta at this time?

I was also very disappointed in the Premier's remarks because I felt that he lent a deaf ear to a number of the back-benchers on his side of the House who were pleading and talking in terms of the private sector. He as much as said to me, in his remarks, that Bill No. 95 will move ahead and we are going to take that attitude irrespective of the back-benchers' attitude.

I also felt there was a lashing of the marketing personnel and the marketing methods of a number of the oil companies that have worked in this province. I can't judge their performance because I have not been involved in any of their activities. I can't judge whether it was good or bad under circumstances where it was a buyer's market. I can't really judge that. But I felt there was a negative reaction, and a reaction for some to support the idea that now we will have a government body that is going to market more effectively with more efficiency and bring a fair market value for our oil products here in the Province of Alberta.

We all know that government certainly hasn't set that precedent in the past. Can we assume that it will set that precedent in the future?

There are a number of things I wanted to say in support of the amendment because I felt the amendment would receive more consideration because of Bill No. 95's conflict with the basic principle for which the small "c" conservative person has stood. I wanted to say that at the present time a precedent is being set here in this Assembly that is used by the Provinces of British Columbia and Saskatchewan as an argument to bring in the same kind of legislation. I have heard and read in the newspapers that each of those premiers has said, well, Alberta does it. What's wrong with us doing it? It must not be so bad.

I think at the present time there is a fear in private business or the corporate bodies of government retribution if they speak out against the bill. The Premier said there really hasn't been anybody speaking out against it, particularly in private industry that may be negotiating with the government at the present time. Potentially they are being made cowards to stand up publicly for the principles they espouse.

I think that through this amendment we can eliminate any possibility of that fear. As my colleague from Cardston so aptly said, "It is the spirit of individual enterprise that has brought the advancement of civilization, particularly western civilization, to the place where it is today." I think we have to recognize that and try to protect that point of view at this point in time. Mr. Chairman, I feel this amendment could do just that.

Alberta has been the bastion of private enterprise of Canada and North America. We have heard from the Ministry of Industry and Tourism and the Premier that their plan is to have a tremendous development of secondary industry through private investment.

Support of this amendment would place the environment and the attitude in Alberta that this government and this Assembly really means that. And persons who are contemplating investment will have it [made] clear to them, whether they

are Albertans or not Albertans, that they have nothing to fear from a socialist government in disguise in the Province of Alberta.

I feel that by not putting a limit certainly is not respecting that basic principle. So I can only urge, Mr. Chairman, that this Assembly consider that amendment. It is giving the government the power to negotiate and to protect our resources, as the Premier requested. We are placing a trust in him that he can use this legislation in the next 18 months. I think by that time the government should be over the hurdle and there should be good understanding of where they are going. We're ready to trust and give to that point, but we do want some kind of concrete evidence so the government recognizes that we only want that legislation for that purpose and only for a limited time.

MR. STROM:

Mr. Speaker, in seconding the motion - and I'm not sure whether we require a seconder in committee, but yes, you nod your head - I'd like to say that I'm very pleased to be able to second the amendment that has been placed before us. I have listened very carefully to the debates on both sides of the House. I have noted that many, many speakers have expressed their concern with the legislation that we have had to enact or are going to enact at this time. Their concern, of course, stems from the fact that they do not particularly like government becoming involved to the extent they are, in the operation of the industry. This is a concern that I certainly share.

It is not my intention, Mr. Chairman, to repeat the statements that have been made. I simply want to point out that with the amendment that has been proposed, every member will have an opportunity to demonstrate whether they actually mean that they are concerned with the marketing legislation. If they are, then I see no reason why anyone should not be able to support it. It is not taking away any of the strength that the Premier has requested, and I'm sure that most of us, if not all of us, are prepared to give him. But I believe we ought to have some indication as to when we would review the strength that is provided for him.

The legislation in itself does not provide any end date. It was suggested by the Premier last night that it could be brought back for review. I say the amendment forces it back into review, and this is what I would like to see. It is for that reason that I am supporting the amendment.

MRS. CHICHAK:

Mr. Chairman, I'd just like to make two or three points with respect to the amendment. I certainly can appreciate, following the lengthy debate we have had on this bill, the concern that the hon. mover of the amendment may have.

He is concerned that the trust that is being placed in the Premier should have some period of time when the power that is being granted be terminated. However, in the debate, the hon. members on this side of the House raised the issue, and I think it was agreed, that the position we are in is a position of trust for the citizens of Alberta.

I would just like to make the point that the position of trustee for the citizens of Alberta doesn't end in June, 1975. It doesn't end in June, 1978, nor does it end in June, 1980, unless we are prepared to give up the ownership of the natural resources which were legally transferred by the Dominion of Canada to the Province of Alberta in 1929, as all other provinces had been given the same endowment in their earlier years.

So I think we have to consider, in light of the position of the government as a trustee on behalf of the people of Alberta, that we cannot put a time limit on the powers that are being given to a trustee, because in fact, that is the position we would be acting under if this bill passes through.

The concerns expressed by members on both sides of the House with respect to perhaps moving too far into a socialistic kind of philosophy or movement in our actions - I think the comments that were being made were not in that regard, but were for the Premier and the government to bear in mind when drafting the rules; that the rules be carefully drawn, taking into consideration that we are in the position of trustees.

I really wanted to bring this point back for consideration. In that respect, I certainly cannot support the amendment and I would hope that other hon. members would find that they could not. Unless you are prepared to give up the ownership of the natural resources, you cannot be prepared to put a term or a time within which your trusteeship ends.

Thank you.

MR. HENDERSON:

Mr. Chairman, I would like to address a few comments to the amendment. I'd like to suggest to the mover and the supporters of the amendment that they consider very seriously the implications of such an amendment.

I think the amendment, of course, very clearly ignores the reality of the federal government involvement in the whole oil marketing situation inside Canada and outside Canada. Very clearly, that's the root of the whole problem. And in the absence of such a commitment from the federal government to exterminate their involvement in 1975, a proposition of this type in Alberta legislation simply undermines and weakens the position of strength the government must have in the interest of dealing with the political situation relative to the federal government.

I think it ignores the further reality of the federal government's announced plans or intentions of taking money derived from the export tax on Alberta oil coming back to the National Energy Company, and very graciously saying to Alberta citizens that we will reinvest it in the province. This further frightens me over the long-term problem of the control over the resources within the province. Very clearly, the 1975 termination of this legislation fails to take that into account.

I'd also suggest to the member that it takes into account one very specific characteristic of the international oil companies. All of the international oil companies pursue a policy of non-involvement, directly and publicly at least, in the politics of the foreign land within which they are operating. That policy applies to the extent that many of the employees of these major oil companies are not allowed to participate in politics. I'm personally aware of gentlemen who have run for this Legislature and, by virtue of taking the nomination for a party to sit in this Assembly, or in hopes of winning a seat in this Assembly, no longer were acceptable as employees to the company in concern.

One has to be extremely naive to conclude that given the proposition of dealing with the best interests of the citizens of Alberta in a political situation such as we are faced with today, there is absolutely no way the international major oil companies are going to interpose themselves between the province and the federal government in this particular matter. There is just no way one could expect that they are going to look after the best interests of the people of the Province of Alberta. The federal government has imposed a freeze, they say, voluntarily. Yet the threat is implicit if they didn't accept it voluntarily it would be imposed arbitrarily.

One has to very clearly ignore the realities of the situation to suggest that a time limitation should be placed on the legislation. One might as well say, we scrap the whole thing and capitulate entirely to the federal government's intentions and let them do as they wish with the resources of Alberta.

It reminds me of the old saying that I've heard suggested under other places and circumstances that a woman about to be raped might as well relax and enjoy it. That's about the way I see that suggestion here; the proposition of rape is going to end in 1975. I think it very clearly is not in the best interests of the people of the province of Alberta.

One of the arguments, I think, that has really no place in this particular debate is, to my mind, the question of philosophy relative to private enterprise. I think a proposition that says that private enterprise is something sacred, in my mind, belongs to the same argument that there is something sacred about socialism. Neither of them are up to facing the realities of situations that exist and develop from time to time. I can personally say in this regard that I understand the difficulty the people have in accepting reality.

I think no one felt stronger in this Assembly than I did when the Province of Alberta was forced to capitulate to the federal government's dictates on Medicare. Yet at the request of Premier Strom, I accepted at that time to take on the responsibility of trying to implement the program and make it work in the best interest of the citizens of Alberta. Notwithstanding the fact that philosophically I disliked it very intensely, there comes a point in the argument where one's personal likes and dislikes in a philosophical sense become somewhat academic in carrying out the responsibilities he has assumed by virtue of being elected to this Assembly. This, very clearly, is the situation by which we are faced today.

I thought, for example, my bias relative to private enterprise involvement in future in the oil industry was so well established I didn't need to bother reiterating it. Yet I gather, I left one of the Edmonton members, Mr. Chambers, who spoke yesterday, with the impression that I was opposed to further private enterprise involvement in the oil industry. I very clearly am not.

My concerns that the federal government create conditions under which the prospects of further private enterprise involvement in the Province of Alberta are somewhat academic. I think it can be argued without going into great detail that the legislation before the House is in the interest of trying to protect and maintain a climate for private enterprise involvement within the oil industry in the Province of Alberta, notwithstanding the fact that the companies don't like it.

As the Premier said, one can clearly understand why they don't like it where they've had a free hand to do this and that to their hearts' content. But I have to suggest that any oil company that makes the proposition that there is something diabolical about the Alberta legislation is simply ignoring also the reality of the federal government's actions in this regard.

So, Mr. Chairman, my own view - and I suggest it very sincerely - that an amendment based on a philosophical approach really is somewhat divorced from the reality of the situation we now face. We're in a situation very similar except with greater ramifications, to the Medicare scheme. We were forced into it; we could see no other choice but to proceed with the Medicare program in the interest of protecting the financial resources of the people of the Province of Alberta. It wasn't self-inflicted as a matter of choice. It was a matter of responsibility and a responsibility we faced up to. I'm pleased to see that Medicare is doing the job for the people of the province that it is today.

To have refused the Medicare proposition would have been unrealistic. And I suggest to those who are trying to put a time limit on the legislation that it would be far more realistic on their part instead of going along with the [legislation], that they vote against the legislation in principle, instead of trying to tack this type of rider on it. Because really, it is basically aimed at undermining the government's bargaining position in dealing with the federal government.

I draw the attention of the members in this regard to the last clause in the bill that precedes the amendment. Pardon me, I'm referring to the wrong bill. It's in the mines and minerals bill - wherein the last clause in Section 5 gives the government, by Order in Council, [the right] to exempt from marketing board provisions all the non-Crown share of oil and gas production that comes from Crown leases.

The marketing board would then only apply to the share of production that is the Crown's share from Crown leases. I'm pleased to see that that particular flexibility is in there. If it isn't needed, it isn't necessary to inflict the marketing board on the industry so far as dealing with their share of the production from Crown leases.

In closing, Mr. Chairman, I simply reiterate that the amendment, in fact, for practical purposes in dealing with the reality of the federal government, their involvement and their intentions, basically is to emasculate the legislation and undermine very significantly the position of strength from which I believe this government has to bargain in dealing with the federal situation.

I would think that anybody who favours the amendment should, in principle, vote against the bill, period, and make this abundantly clear to all and sundry.

MR. DICKIE:

Mr. Chairman, I would like to say a few words and urge all the members to reject the amendment. First on the question of principle, because as I read it the intention of the amendment is to say the bill or the parts thereof that haven't been proclaimed expire on June 30, 1975. I would suggest that (a) it is wrong in principle to start with. I say today that if we're suggesting in passing legislation that it will expire at a certain day, it indicates that we're unsure, we're uncertain.

Mr. Chairman, I suggest on this particular bill there is no question. We're certain. We think it's the right approach. Besides, Mr. Speaker, on the question of principle, if any hon. member wishes to make some changes at a later date, we have a fall sitting. We have a spring session. Resolutions can be presented in this Legislature if they didn't feel that the actual Alberta Petroleum Marketing Commission was operating in the proper manner.

Mr. Speaker, the hon. Member for Little Bow commented on the hon. Premier's remarks last night. I'd like to suggest to all hon. members that the hon. Premier's remarks were clear and explicit and well understood by all members of this House. The hon. Member for Little Bow suggested that the hon. Premier had turned a deaf ear to the members of the Conservative caucus.

Mr. Chairman, I ask the hon. members to reject that completely. From the reaction, Mr. Speaker, I think it is rejected completely. Mr. Chairman, I think too that the hon. Premier was reflecting, not only the concerns of the hon. members on this side, but the concerns of the people of Alberta to that approach.

Mr. Speaker, there's one other comment I had to make and that deals with the question of the comments of the representatives in the petroleum industry. I think there was a suggestion made by the hon. Member for Little Bow about retribution. They are making cowards of them. I suggest if you talk to them they are strong men, they do speak up, they let us have their views and we welcome their views.

Thank you.

MR. LUDWIG:

Mr. Chairman, I believe the amendment expresses one thing, the concern of members about giving the government wide powers indefinitely. It's an intention to be able to review the position taken by the government.

We don't approve of it but we feel that there ought to be, that the MLAs have final say in government powers. But in my opinion they have abdicated their powers. So the fact that we want to be able to review this thing again - let it come up again - is not in any way detrimental to the government's intentions. But we don't believe in giving the government such wide powers - we simply can't and we don't want to.

I'm sure that the hon. members on the other side, the back-benchers, have some concern as to what their worth is, or whether they can just give a blank cheque to the government, go home and not be concerned any more. Because we did this in much legislation there would not really be a need, other than the constitutional necessity, to call a session. After all, the government has the right to control and do anything that it likes, particularly when the government has expressed uncertainty in this area. Even the hon. Premier has stated that we are heading into tough times and uncertain times. We share with him the fact that they are uncertain and we don't want to give them this power indefinitely.

So I urge those back-benchers who have some regard and some knowledge as to the worth of the MLA, elected by the people to speak for the people, that instead of permitting the government to settle these problems perhaps with the petroleum industry lobby, the voice of the MLA on this issue will [not] be dead from now on until this thing comes up for further review. Of course, we can criticize the government action when we find out what it is. But with the reluctance of the government to give us information, what we won't know about perhaps we won't be able to inquire about. So it isn't that kind of performance we have witnessed in this House, where they are quite anxious to reveal. They have indicated that they will flood us with information they want us to know, but they will tightly fight to conceal that which they don't want us to know. This has been proven over and over again. We have had to use force and resort to all sorts of moves to get information from them.

We are saying that once this principle is established, once they have played this play and find that it works - and I'm not saying that they're after power, but they're sure getting it in this bill. So the MLAs have to decide whether they will stand for something in this House, whether the people will have a voice as to the future operation of the petroleum industry or whether we will trust the government to do as it deems fit and perhaps expedient. They'll let us know if perhaps the press finds out or somebody tells us.

This government is not quick to reveal; therefore I am supporting this amendment. I think it's the least we can do. The government ought not to feel reluctant to have its actions reviewed within one year. It is not that large a province that we cannot be recalled within 48 hours or quicker. We can review this and we should demand the right to be able to review it instead of saying, we've closed the door, do as you wish.

I support the amendment. I think it's timely and necessary.

MR. TAYLOR:

Mr. Chairman, I regret that I am unable to support the amendment for a number of reasons. I gave most of them when I spoke on second reading of this bill yesterday.

Another reason is, no legislation carries a forever mark on it. Any bill passed by this House can be rescinded by this House at any time if a majority of the members want to do so. If we are going to attach time limits on legislation, then it would be necessary to do it on all bills. Any bill can be rescinded; no bill is there forever. I think it is rather unsound to start saying certain bills will expire on a certain date.

One more reason that bothers me somewhat in connection with the amendment is the fact that a number of members on both sides of the House referred to this as the armour or the weapon with which the representatives of the people of Alberta in the Government of Alberta will fight the battle to retain for the people of Alberta the full wealth coming from our resources. If that is so, are we going to say that you can keep the armour on until a certain date and then, after that, you can't have this armour. You can't have these weapons. To decide that something has expired before we even see how it's going to work, I think, is something pretty difficult to advance.

Then, of course, my major reason for not being able to support the amendment is that I believe in this marketing board. I think this marketing board is a good piece of legislation. I think it's going to be in the interests of the industry, but more particularly in the interests of the people of this province.

I'll be very surprised if the people I represent oppose the setting up of a marketing board. A very large proportion of them are farmers and they've seen what the wheat board has been able to do through collective action. Surely, when the people of Alberta own so much of our petroleum, it's not wrong to say we're going to set up machinery that will give those people the greatest possible return.

I can't think of any other way. I have no other alternative to advance in regard to getting a better return from the petroleum of this province that belongs to the people than through the techniques advanced in this bill.

AN HON. MEMBER:

Hear hear.

MR. BUCKWELL:

Mr. Chairman, I want to say a few words on this amendment.

It has been expressed by some members and the hon. ministers that this would limit the effectiveness of the legislation, particularly in dealing with the federal government. Quite frankly, maybe it does, but I think if the hon. Premier or the minister, realizing the power they have and the concern that's been expressed in the House - we don't deny him the power - but I would say that I imagine this marketing board would have an annual report before the House. I would ask if the Premier would give the assurance. I don't see how it would weaken his position or how it would weaken the government's position if this were given an annual review before the Legislature. This gives the opposition the opportunity to put in what they feel would be any amendments. I imagine the government itself will have amendments to this act. And in fact, if we had a change of government in Canada, for the better, we mightn't need this act at all. But this is maybe looking down the road a year or two.

I would like the assurance. I have to say that I would have to support the amendment unless we have the assurance that this act would come annually before the Legislature. I don't mean the whole bit of going through the whole act clause by clause and questioning everything. But I think it is of such magnitude, not only to the people of Alberta and to the industry, that we should have an opportunity yearly. We should not just have a report tabled in the House, but we should have a review annually of the direction the board is taking.

MR. LOUGHEED:

Mr. Chairman, that seems to me to be clearly a more reasonable request in the nature of the amendment. Of course, Section 11(2) of the bill provides that the minister shall lay a copy of it before the Legislative Assembly that is then sitting, and if not, within 15 days of the commencement of the next ensuing

session. Certainly I would be prepared to undertake that at either the spring or the fall session, after tabling the report, if a motion were presented by the other side with regard to dealing with the matter. We would waive any other motions on the Order Paper so that that one might be discussed and deliberated as soon as it is presented to the Assembly.

MR. R. SPEAKER:

Mr. Chairman, in closing the debate, just one or two comments.

I think it should be understood that we certainly want to place our trust in the Premier in the negotiations he is faced with. With regard to the need of the bill, I think we have debated that and we understand that. I made certain comments in second reading about going ahead to support the bill, because if that's the armament we need, we've got to give it to the Premier at this time.

I have felt though that there is the need of some kind of commitment from the government. That was really the purpose of the legislation, that it wasn't legislation that was here forever after. And by accepting the amendment that I have suggested, that would be very clear not only to this Assembly but to the people of Alberta.

The suggestion that the Premier has just made I appreciate very very much. But even in that suggestion the initiative still rests with the opposition. It still rests with the opposition. The leadership, the leaders of this province supposedly when elected to government have to take that initiative. That is where I placed it.

Certainly we can place resolutions on the Order Paper and ask that they be looked at. But the initiative for reviewing this kind of act, I would have hoped, would have rested with the Premier and his government. That is the kind of statement I had hoped to have heard. I would have been most satisfied and [would have] been able to go back to my constituents and say, we are protecting a principle here in the Province of Alberta. I know that our Premier stands for that and I might have a lot of difficulty opposing him if an election comes along the line on that particular matter.

The way it stands, there certainly seems to be a division in philosophic attitudes between myself and the government at the present time and, I am sure, other members of this Assembly. I can only urge that the members recognize that the amendment was placed before the Assembly for a very good reason, not to weaken the Premier's position or his ministers as they go to Ottawa, because that is most important historically in Canada and particularly to Albertans. I know that. I wouldn't want to be the one responsible for weakening that position. So Mr. Chairman, with those few remarks, I urge the members to support it and I certainly feel there is much merit in it.

[The amendment was lost.]

MR. CHAIRMAN:

Any further questions?

MR. BUCKWELL:

I don't doubt the Premier's word at all on this, that he would entertain this motion, but to satisfy both sides, could the hon. Premier bring forward an amendment that would make provision for an annual review?

MR. LOUGHEED:

Mr. Chairman, I don't feel in a position that I can just make that sort of commitment. With respect, I really don't see a major problem, at least in the initial instance. We have already said that it is our intention to consider probably bringing in an amendment in the spring that would add synthetic crude oil to the marketing board. Now granted, that amendment might come at a stage when the marketing board hadn't had a reasonable period of time in order to be evaluated fairly by the members.

What I really had in mind was that when the first report of the commission has been placed before the Assembly, if the hon. member wants to then make a request that a motion be made that the report be received and concurred in, that is certainly something we could take under consideration. I wouldn't want to be committed to that, but I certainly would be committed to the question that if the members on the other side felt the matter should be debated with some

urgency and moved a motion, I would do what I could to urge others to have it moved immediately to the top of the Order Paper so it could be discussed.

But I think it would be best discussed after the first report, the annual report of the commission, has been tabled in this House, has been presented, and I would presume that that would be in the spring session of 1975.

MR. CHAIRMAN:

Title and preamble?

MR. STROM:

Mr. Speaker, there are some questions I have here. I am sorry I didn't get to my feet earlier. Pardon me, it is in Section 16(2), and I ask the minister if he could give a little more elaboration as to what would happen if there were no storage available. There is power given to the minister to take over storage, I shouldn't say take over because I don't think that is what you have in mind, but make use of storage. But what happens if there were no storage available? What would the government then do?

MR. DICKIE:

Yes, Mr. Chairman, that was a good question. The storage did cause us some concern when we were drafting the bill. We were trying to anticipate whether this situation could arise so we did want to have wide powers for storage facilities. Since that time we have checked with the Energy Resources Conservation Board and they are now advising us that there are a number of reservoirs available that could be used for storage. So at this stage, Mr. Chairman, I think we can advise the hon. members that we do not anticipate a storage problem if it did arise, the section was just put in as a protective provision because we weren't quite sure whether one ever would arise. That is the reason.

MR. STROM:

Mr. Chairman, if I may ask - I notice you called title and preamble. I would take it then that we would not be going through the bill section by section. It is not a large bill and I am wondering whether there would be some advantage rather than going from part to part - I have about four or five questions in various sections ...

SOME HON. MEMBERS:

Agreed.

MR. CHAIRMAN:

It would appear we have agreement from the committee to go section by section.

[Sections 1 through 12 were agreed to.]

### Section 13

MR. STROM:

I am not sure that I am totally clear as to how the commission will acquire for example, in Section 13(a), "acquire, sell or exchange petroleum in Alberta". Could the minister elaborate a little bit?

MR. DICKIE:

Well, Mr. Chairman, I think that on the word "acquire" we were talking about the Crown share. I would suggest that that would be acquired. The hon. member will recall that we do deliver the Crown share to the marketing commission so I think that word "acquire" has to be in there. Then the other words are "sell or exchange". Again we wanted it to be clear that there is swapping and that could be done by the commission as it is presently done by the crude oil purchasers.

MR. CLARK:

I would like to ask the minister to comment on this question: does he really see the commission or the board being what might generally be referred to as a revenue-generating agency?

MR. DICKIE:

Well, certainly ...

MR. CLARK:

The marketing board in British Columbia is.

MR. DICKIE:

Mr. Chairman, we did give a great deal of thought and consideration to the powers set forth in Section 13. They are not designed as a revenue-generating type of operation. I think you have to keep in mind however, that if Section 4 were proclaimed and we did sell into the export market, there would be revenue there. But at the present the intention is not to be a revenue-generating operation. Even from that point of view, I could have mentioned that we have designed it in such a way that we hope the crude oil purchasers who now take their brokerage fee of, say, one cent a barrel would not do it through the commission.

MR. BENOIT:

In conjunction with Section 13(d), would the minister outline what is anticipated in "... estate or interest in real property ..." that might be necessary for the commission to appeal?

MR. DICKIE:

Yes, Mr. Chairman, I think we could suggest that that provision was in the event they did become involved in any storage problem. That was the only reason for that section.

[Sections 13 through 20 were agreed to.]

#### Section 21

MR. STROM:

Mr. Chairman, Section 21(c) reads: "shall, upon the sale of any of the lessee's share of petroleum, pay to the owners thereof the proceeds of the sale, without any deductions whatever".

I am informed by the industry that there are some natural losses. I am wondering at which point the measurement will be taken and this payment made without any loss whatsoever. The point that I wanted to bring out to the minister is that it is my understanding from discussing it with the industry that there are some losses. Who would be responsible then for losses before it gets to its ultimate market?

MR. DICKIE:

Mr. Chairman, I am not sure about the exact nature of those losses, so I would be unable to comment.

When we said "without any deductions whatsoever", the section was designed really to make sure that any brokerage fees - and taken into consideration, that might be a loss - would be paid by the purchaser. I would anticipate the commission would work that adjustment in that way so they are not involved in any of the losses, or that the vendors actually receive the full amount.

MR. STROM:

So really it is talking about the payment that will be made to the commission at the point where the sale is culminated. And whatever proceeds are received by the commission will be passed on, but there will be no determination of price at any given point other than at the point where the consumer or the ultimate purchaser takes ... [Inaudible] ...

MR. DICKIE:

Mr. Chairman, the way the hon. member expressed it would be my understanding.

MR. HENDERSON:

Mr. Chairman, maybe just a comment. The practice of the industry [is to] buy the crude at the production lease. They buy X number of barrels, 100 barrels, and the pipeline companies that handle the oil, under most of their tariff agreements, are allowed half of one per cent as a loss, a shrinkage factor, in the operation. And I don't see that having any relationship to the marketing operation business at all. That's a loss which is built into the operations of the pipeline company in the transportation end of it, and has really nothing to do with the purchase of crude at the lease.

I see the marketing board functioning in spite of all the verbiage in the act about tankage and underground reservoirs and so on. Nobody in his right mind produces oil unless he has a place to sell it because the cheapest place to store it is in the reservoir it comes out of.

As I listen to the minister, suggestions about pumping oil underground into a reservoir with the idea of taking it out again some day is, you know, just a little too far-fetched for me to imagine. I think it raises some problems that are imaginary and better left aside.

But the loss is in the pipeline operation and I can't see it having any involvement in relationship whatever to the marketing board operation.

MR. STROM:

Mr. Chairman, I am sure it helps the minister tremendously to have an expert in the House who can give him the answers on it.

The other one I would refer to is after (f), pardon me, if I could point to (f):

shall not in selling petroleum under this section discriminate as between owners or as between petroleum from different pools or other sources, except as may be necessary to effect the orderly and equitable marketing thereof.

It is my understanding that there is quite a difference in quality, and prospective purchasers get this information from the various companies. Then, on the basis of the information given to them, they determine what quality they want to buy and do their own mixing.

It was suggested there possibly should be another section after (f) that would cover it. I am just wondering if that's a problem that has been brought to the minister's attention and if he feels it is necessary to have a further clarification of this situation.

MR. DICKIE:

Yes, Mr. Chairman, I did become involved. I think it was described to us by the crude oil purchaser involved in the blending and how they might handle that blending.

I think if I could reflect on what their feeling to me was, this would be adequate to handle that. At this time they didn't see any problems. But, again, in this general operation where they are swapping, blending various types of crude oil, we have designed it so there is flexibility and we hope they can work with the existing provisions set forth.

MR. STROM:

So you don't see any problem as far as - let's suppose they wanted to get the information from the marketing commission. Would this be made available to prospective purchasers so they would know what they ought to purchase, or is there a problem in the product that they will be purchasing from the commission?

MR. DICKIE:

Mr. Chairman, we don't anticipate any problems because they go through the nomination procedure first. After they have the nomination and the licences from the National Energy Board, then they would meet with, say, Interprovincial Pipeline to work out the blending process of the types of crude they have to get into the pipeline. At that stage, I think, they could have the discussion and work the problems out. So we really don't anticipate problems of that nature.

We again would like to emphasize that what we are trying to do is really set up a mechanism to carry on with the procedures which have been outlined by the crude oil purchasers and have been working very satisfactorily.

MR. DIXON:

There is one question, Mr. Chairman, I would like to ask the minister. It has to do with the companies that are in the marketing as well as the producing of oil and where they - are you going to take their schedule back to what they were doing prior to the act coming into effect? And I say that because, for example let's use Gulf or Texaco, that are using, say, a million barrels of oil themselves and this is really what they plan on using. You are going to purchase it and it will go into a general pool and then come back to them. Is that the idea?

And my other question, while I am on my feet, is: what happens, will we have any control after the purchasing is done and it is resold again and re-refined and goes into, say, a products pipeline - an example, like we have from Edmonton to Calgary which Gulf and Imperial are planning? We will have no control on that if we wish to divert it after? I mean, once we have made the decision, it is up to them to do whatever they want, but if an emergency arose, we wouldn't be able to control that once they put it through their plant?

MR. DICKIE:

Yes, Mr. Chairman, again this deals specifically with the question of the nominations. The nominations are made as to the crude oil that is required. They sit down and discuss that. Then the marketing commission would purchase that and move that crude oil out.

Now the key question you raise is if it were their particular crude and they would get the type of crude they have and own. That may present a problem and we anticipate the commission would have to deal with that problem and make those decisions when they arise.

MR. CLARK:

Mr. Chairman, just going back to Section 16 for just a moment, if we might. It deals there ...

MR. CHAIRMAN:

Mr. Clark, I wonder if we could just finish Section 21 and then go back to Section 16.

MR. CLARK:

Sorry.

MR. CHAIRMAN:

Any further questions on Section 21?

SOME HON. MEMBERS:

Agreed.

MR. STROM:

It says again here: "The lessee's share of petroleum shall not, prior to its sale by the Commission, be exchanged for any other petroleum." I wonder if the minister could just comment.

MR. DICKIE:

Again, Mr. Chairman, this was designed to make sure the actual transfer and the custody transfer point would be at the battery where it is metered. They didn't want to be in a position to make sure there were exchanges going on before that situation developed. So the commission would then receive the crude oil right at the battery, at the metering point there, and then they could merchandise it from that time on. There would be exchanges after that, perhaps, but not before that stage.

[Section 21 was agreed to.]

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MR. CHAIRMAN:

Section 16, Mr. Clark, you wanted ...

MR. CLARK:

Mr. Chairman, dealing with Section 16(4) and the involvement of the Public Utilities Board there along with the question of the overall authority that the board will have, is it fair to say, Mr. Minister, that for all intents and purposes pipelines - at least some pipelines - in the province will really, in fact, become common carriers?

MR. DICKIE:

Mr. Chairman, again I noted comments by the hon. Leader of the Opposition in his initial remarks and I did make some inquiries about pipelines. I am told there are now over 2,500 pipeline licences throughout the province and some, say, 20 to 30 major operators who deal in the pipelines. At the present time they have their own arrangements worked out with the people who are involved. They are not within the control or jurisdiction of the Public Utilities Board so we don't anticipate there would be a change in this.

There also has been some concern that in situations where the oil isn't necessarily transported by pipeline it goes by truck. Again the suggestion has been made that we leave that in the position of the private enterprise because if there is a certain competitive aspect to it, it would work to the advantage of industry.

MR. CLARK:

It's the minister's feeling at this time that he wouldn't see pipelines in the province - at least a number of pipelines in the province - really for all intents and purposes become common carriers?

MR. DICKIE:

No, Mr. Speaker.

[Sections 22 and 23 were agreed to.]

Section 24

MR. DIXON:

There is a point here in 24(g) "... any agency of the Government of Canada". Now what agencies do you expect from the Government of Canada that the commission would be taking orders from?

AN HON. MEMBER:

Orders?

MR. DIXON:

Either orders or instructions or stop production or what. I just wonder what agencies would be involved?

MR. LEITCH:

Mr. Chairman, perhaps I can help on that. For example, there might be some scheme worked out between the NEB and the commission which might involve the joint order, something of that nature. That is really the reason for that clause being in that part.

MR. STROM:

On 24(d) - I wonder if the minister would care to comment there? It gives the impression of different prices and it does suggest, depending on the location of the buyer, but I'm not clear, does it really indicate a two-price system is intended by that section?

MR. DICKIE:

Yes, Mr. Chairman, that would be the section, they would be permitted to sell at one price on the domestic market and another price on the export market.

MR. BENOIT:

The following section makes provision for dealing with profits or cash of surplus. Is there any chance that there might have to be some losses considered too?

MR. DICKIE:

Well, Mr. Chairman, certainly not what is envisioned. This section would be designed with just selling from the domestic market to the export market. We would anticipate their obtaining the opportunity price in the export market which would generate a surplus or a profit. That would deal with the disposition of that.

MR. STROM:

[Inaudible] ... refer to equalizing of payments in any manner whatsoever under that section?

MR. CHAIRMAN:

Agreed with Section 24?

MR. STROM:

Just a minute, he hasn't ...

MR. DICKIE:

Mr. Chairman, I just wasn't clear on the hon. member's question about equalization.

MR. STROM:

Well, describe the manner in which any profits or cash surplus of the commission are to be dealt with. Is there any suggestion then of equalizing of payments through the commission that may not relate necessarily to the purchase price?

MR. DICKIE:

Mr. Chairman, I would say that question really hasn't arisen yet, and, I think, would have to be considered by the commission at the time that that arose.

[Sections 24 and 25 were agreed to.]

Title and Preamble

MR. RUSTE:

Mr. Chairman, in dealing with Bill No. 95 as such, in creating a corporation by order in council, there is reference to cooperation. There are some concerns I have in the powers that are extended. I think this reflects back to Bill No. 94 as well.

I think there are four incidents that came to my mind in the last while. I would just want to mention when we look at the powers being given to government, how are they going to use them? One goes back, of course, to the last session when we had the tentative natural resources revenue plan and the switch this government has done since that time. Now I realize things have changed, but still several changes have taken place since we had that legislation before us.

Another one was the Western Economic Opportunities Conference that I think a lot of us followed on TV and were rather interested in. There was one thing I noted that happened there in the discussions. The Hon. Otto Lang said to our Minister of Agriculture, I believe it was as follows, "Why, Dr. Horner, only a week ago I received a telegram from you in which you took an entirely different position." Now, Mr. Chairman, in negotiating, surely there must be one position and not several. I think this reflects to me that there have been some changes or a difference of opinion certainly, and maybe two positions have been stated.

Another one was at a later date with reference to the negotiations that took place with the federal government. One of our senior ministers indicated that negotiations had broken off. I'm fearful that in the powers given to government we are going to try to negotiate via the news media, or via the TV camera rather

than grabbing the telephone and talking face to face. As one who has been involved in negotiations with the federal government previously, you don't get as much publicity if you sit down with the minister, if you grab the phone and talk to him directly as you would if you make a statement that can't really be challenged at the time and then go on your way.

The fourth point I want to refer to [occurred] at the opening of our second session this year, when the government reported to the people of Alberta. I'm going to take the opportunity of quoting here a part of it from Hansard on October 10 in which the Premier is reporting on the agricultural credit extended to the people of Alberta. It's on page 3161, of [Volume 2, Issue] 58. It goes on to say:

Here is the data in two years: The Agricultural Development Corporation's direct lending is \$18 million; the guarantee lending to farmers and agri-business is \$11 million; the livestock guarantee lending is \$33 million; the feeder association loans are \$24 million; the guarantees of lending through the Treasury Branches and banks are \$25 million.

It goes on to say, "The total agricultural credit in the 2 years was \$111 million ...".

Now if we had stopped there I wouldn't have argued a bit, but going on it says, "... compared to the previous 10 year aggregate total of \$10 million."

Now, Mr. Chairman - having been a Minister of Agriculture - and there were eight others on the front bench who were in the House at the time these figures were discussed, budgetary items and so on. And when I look at the word "aggregate", it means to gather together in a mass or group, collect or unite. Mr. Chairman, when I look at the figures in the last annual report of 1970 for the agricultural credit extended to livestock feeder associations, [I find that it] was in excess of \$14 million. I feel that this type of representation to the people of Alberta is certainly unwarranted. I think, Mr. Chairman, if we are going to have statements of this type, and representations of this kind made by government, I think we have to be pretty careful as an opposition of what we give approval to.

So there are the four concerns. The about-face or the change around in the tentative natural resources plan of which I can understand a part. There is the Western Economic Opportunities Conference and the inference there that there were two positions taken by government. There is a third one that deals with the breaking off of negotiations or confrontation which led them, I suggest, Mr. Chairman, to more confrontation; then the government's report to this Assembly at the second sitting of this Legislature dealing with the amount of agricultural credit.

[The title and preamble were agreed to.]

MR. HYNDMAN:

Mr. Chairman, I move the bill be reported.

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Chairman, I move that the committee rise and report.

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 the following bills; Bill No. 87 and begs to report same with some amendment. The Committee has also had under consideration the following: Bills No. 84, 91 and 95 and begs to report same.

MR. SPEAKER:

Having heard the report do you all agree?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I move the amendments be read a second time.

[The motion was carried.]

MR. HYNDMAN:

Mr. Speaker, I'd like to ask unanimous leave of the Assembly to move into third reading on Bills No. 84, 87, 91 and 95 notwithstanding Rule 59.

[The motion was carried.]

GOVERNMENT BILLS AND ORDERS  
(Third Reading)

[It was moved and seconded by the members indicated that the following bills be read a third time.]

<u>No.</u>	<u>Name</u>	<u>Moved by</u>	<u>Seconded by</u>
53	The Arbitration Amendment Act, 1973	Dickie	Warrack
84	The Motor Vehicle Accident Claims Amendment Act, 1973 (No. 2)	Copithorne	Foster
87	The Alberta Insurance Amendment Act, 1973	Dowling	Adair
91	The Highway Traffic Amendment Act, 1973	Copithorne	Foster
93	The Freehold Mineral Taxation Act	Dickie	Warrack

[The motions were carried. Bills No. 53, 84, 87, 91 and 93 were read a third time.]

Bill No. 94  
The Mines and Minerals Amendment Act, 1973

MR. DICKIE:

Mr. Speaker, I move, seconded by the hon. Minister of Lands and Forests, that Bill No. 94 be now read a third time.

MR. CLARK:

Mr. Speaker, in dealing with third reading of this particular bill, I think it is important that all members of the Assembly pause for just a few moments and recognize, perhaps, what we have been through during the last two weeks - or what we think we have been through; and perhaps more important than that, Mr. Speaker, recognize that by passing this legislation - and to some extent Bill No. 95 - that we take just a few moments and, rather, look to the future as to what we are really about at this particular time.

I think it's important, Mr. Speaker, that we recognize that as far as Bill No. 94 is concerned, it really gives to the government the ability to change the royalty arrangements we have had up until now.

Coupling Bill No. 94, Mr. Speaker, with Bill No. 95, we are in a situation of giving the government the kind of legislation that it, in fact, says it needs to deal with the situation we now face. Also, Mr. Speaker, in passing this legislation, if this legislation works the way the government indicates it will,

then the citizens of the Province of Alberta will be in a very favorable situation in the period of time that lies ahead.

This province has been very fortunate to date, due to the excess amount of natural resources, [and] the ability and initiative of the people of this province. But as we look to the future now, Mr. Speaker - and we are in the waning hours or few moments of this energy session - I think it's also important that we remember that in this province we don't have only oil and natural gas; in fact, we have great reserves of coal. We have really remarkable potential so far as electricity is concerned. And then, of course, we have what some people refer to as that ace-in-the-hole - the tar sands in the province.

Mr. Speaker, given the situation that Alberta has in our Confederation today, and given the energy crisis that is around us throughout most of the world, let us recognize that energy is going to be the source of considerable economic power in Canada and, in fact, in various areas of the world.

As Canadians we are very fortunate. It is my understanding that we are the only industrialized country in the world that is self-sufficient from an energy standpoint. As the Province of Alberta we are very fortunate because we really are the energy province as far as Canada is concerned.

There have been a number of comments made during this session as to how we should make use of the tremendous energy resources which we have in Alberta. I am sure that members on both sides of the House, Mr. Speaker, have agreed that we have an obligation to all of Canada. We also, Mr. Speaker, have an obligation to get a very reasonable return, a return that is in the best interest of the people of the Province of Alberta.

As I look, Mr. Speaker, to the future, it seems to me that as a result of this legislation and the energy crisis across the world, we are in a situation where the people of Alberta and, in fact, the Government of Alberta will be the recipients, on behalf of the people of Alberta, of several hundreds of millions of dollars of additional revenue.

This brings us, Mr. Speaker, really to the core of the matter I want to raise. That is the question, Mr. Speaker: On the one hand do we rather use a cookie-jar approach in dealing with the future? Or, on the other hand, Mr. Speaker, do we as members of the Legislature and really the people of the Province of Alberta, attempt to take two or three steps back and look at the somewhat longer range future of this province?

It seems to me, Mr. Speaker, that we certainly have the ability within this province to really decide the kind of Alberta we want in the last half of the '70s, and in the '80s and '90s. And the way in which we, the members of this Legislature, and the people of the province use these tremendous additional revenues we will have, will set the stage for Alberta in the last quarter of this particular century.

I indicated, Mr. Speaker, that I think there are two approaches we might use. One, I have referred to as the "cookie-jar approach." All governments use this approach. This is an approach where, in fact, the government bureaucracy, the government agencies, the government departments simply add programs. Programs on many occasions, Mr. Speaker, can be made to appear very, very necessary and very reasonable.

On the other hand, Mr. Speaker, I would like to suggest that what we [should] attempt to do during the next year or two in this province is to become very actively involved in some realistic planning - and not just members of the Legislature or not just the government, but in fact to involve local governments, to involve province-wide organizations so that, in fact, we have a major input - a broad input - into the kind of decisions we are making in the future.

I have suggested on other occasions, Mr. Speaker, and I make the suggestion once again, that we might very well look at the establishment of some sort of Alberta social-economic council which could very well perform some of the same kinds of functions that the Economic Council of Canada provides. In its relationship with government, it seems to me, such a council should be some distance from government. It should be made up, certainly, of representatives of the government, but also representatives of a large number of provincial organizations, and, hopefully, a broad cross-section of Albertans would have the opportunity to have this kind of input.

It seems to me, Mr. Speaker, that the kinds of decisions we have to look at with this additional wealth we are going to have in this province, have to deal

with the question of real decentralization. I would hope, Mr. Speaker, that we would use a very substantive portion of this additional revenue that the people of Alberta are going to acquire into really broadening our secondary industrial base in the province.

Also, Mr. Speaker, I believe we have to look at certain areas or certain regions of the province. All members are concerned about the problem of depopulation of our rural areas. All members, I hope, are concerned about the ever increasing urban problems we are having.

It seems to me we must also look at the future for that northeastern portion of the province - northwestern Alberta, the Peace River block. We have to look at what is going to happen in the Calgary-Edmonton corridor and, in fact, hopefully develop some sort of overall provincial strategy.

This provincial strategy, it seems to me, can only be developed in a coordinated approach with the government, with local government in this province. When I say the government, initially the provincial government, the local government and a large number of provincial organizations [I mean] having their input into what I'd like to refer to as this Alberta social-economic council.

Mr. Speaker, when we are looking at what our priorities are as far as the use of this additional revenue, I would hope, Mr. Speaker, that all members of the Legislature recognize that what we've been legislating with during these two weeks has been, to a very great degree, that birthright of Albertans, the birthright of your children, or the children of the members of the Legislature, and the grandchildren to follow.

I would hope, Mr. Speaker, that the government would give rather serious consideration to establishing what I refer to as a number of heritage projects; projects which would add to the heritage of this province; and projects which over a number of years to come would have a very real impact on developing the kind of Alberta that I feel confident the members of this Assembly, in fact the people of this province, really have in mind.

So in concluding my remarks, Mr. Speaker, on Bill No. 94, let me urge the government, and in fact urge members of the Legislature on both sides of the House to resist - and I know it's going to be difficult - the rather cookie-jar approach as to where we go from here with the tremendous additional revenue we're going to have.

Let me urge, Mr. Speaker, the government, members of the Legislature, municipal governments in this province, and the large number of provincial organizations to resist simply coming to government and asking for this and this and this and this; but for the next period of time, hopefully, to sit back and do some very serious thinking about what kind of Alberta we want during the last quarter of the century, what we really want to do with this birthright that, in fact, we're so fortunate to have in this province, and hopefully to think very seriously about what kind of heritage and kind of future we're going to leave for Albertans to come.

[The motion was carried. Bill No. 94 was read a third time.]

Bill No. 95 - The Petroleum Marketing Act

MR. DICKIE:

Mr. Speaker, I move, seconded by the hon. Minister of Lands and Forests, that Bill No. 95 be now read a third time.

MR. SPEAKER:

Having heard the motion for third reading ...

MR. LUDWIG:

Mr. Speaker, on third reading of Bill No. 95, I wish to make a few comments and express a few concerns that I think are left unclear in this House at the present time.

One thing that appears obvious to me is that the lines between Ottawa and Alberta, as far as negotiations are concerned, have hardened. I believe that the conflict - which it appears to be - has escalated between Ottawa and Alberta, and the actions of the hon. Premier in that regard have hardly helped.

I'm often surprised when we say we did not have consultation with Ottawa on the export tax. Once the export tax was implemented that did not bar negotiations to see whether we can get the best deal for the Province of Alberta, Mr. Speaker.

I believe in that regard the hon. Premier has failed this province and will be accountable for the consequences. We are still not sure whether the lines of communication between Ottawa and Alberta are hardening, and that we are talking less and less. Or are we able to sit down like responsible people, which is expected of them - particularly of the cabinet - and see if we can come up with a better deal for Alberta?

It was interesting to note in the Premier's remarks that there is some serious disagreement between what the public believes and what a lot of hon. members here believe and what the Premier is saying. I'm going to quote from the Premier's speech yesterday. He says:

We have said in the document we left with you setting out the Alberta government policies on energy that the objective of the export tax as originally conceived, which was to get the opportunity price in the United States in relationship to a price for Canadian consumers, is an objective that we as a provincial government supported and endorsed.

Now this means something that perhaps many members did not grasp; that the hon. Premier says we supported and endorsed the export tax. It's in his speech and I believe he'd have trouble backing off. I believe, when I look at the front bench right now, Mr. Speaker, that if the people could see them it would be very hard to convince them that they are of sufficient stature and responsibility to negotiate matters of this magnitude with the federal government. If they feel it's a reflection on me, I've got news for them. It's a serious reflection on them. They're all giggling and they're all laughing, but they will have to account for the fact that they are going into a period of uncertainty, as admitted by the Premier, several months of uncertainty, as is stated here. He stated in his speech yesterday that,

... we will be entering into six of the most difficult months in the history of our province. There will be some trying times for all of us, no matter where we sit in this Legislative Assembly. But if we believe in the fundamental principle that we can control our own resources, manage them in the best interests of Albertans, both today and in the future, and do that fairly with the rest of Canada ...

This is interesting because he's in agreement with quotations of Prime Minister Trudeau on this. Do it fairly with the rest of Canada - that's all anybody wants.

So I believe that the confrontation and the conflict of views between Ottawa and Alberta are not that great, but that the political confrontation and the political attitude, partisan attitude, of this whole thing has escalated it, hardened the position. I believe that when the people of Alberta realize they may have been 'had' by, perhaps, the emphasis on the political aspects of this rather than the real economic aspects, there perhaps may be a reckoning. And although the Premier has asked for wide powers, he will certainly be accountable. As he says, these are uncertain times. We don't know really. We can't project. There are too many imponderables, too many variables. We are going, at least in the next six months, into a period of uncertainty.

I'm stating that it's my honest opinion that the Premier and his cabinet have not shown, have not convinced us or the public, that they have exhausted all possible means of communication and negotiation. They have taken every opportunity to shy back, to escalate the conflict, the confrontation, and I believe that the hon. Premier's speech yesterday did nothing in the interests of the people of this province. He escalated the conflict, and I'm saying that any escalation of conflict between two governments of the same people is not in the best interests of the people. I believe that this could well be an interesting issue as time goes by.

One other serious matter that confronts us is, in the game of confrontation of politics, we have to look at Ottawa versus Alberta. That's the game now. It isn't Alberta and Ottawa trying to solve their problems to the mutual benefit of all the people, but it's a case of a one-upmanship type of game that has political connotations. For anyone in this House to stand up and berate the Prime Minister about being politically partisan I believe he is - but to say the converse here, that the situation with the hon. Premier is not so, is I think ignoring half of the facts. I can state without need to withdraw any

remarks, that I believe the confrontation, the political aspects of this whole issue, were accentuated and were instigated by the hon. Premier.

I'm very disappointed that in Ottawa with the political parties, the counterparts of the present Conservative government, that there was not, nor was there any effort made to get, real support. How nice it would have been; and it would have made us on this side feel better, if the Conservatives could have stood to a man and said we're going to make sure that Alberta's views are represented properly.

If anybody here will tell me that the Conservatives in Ottawa are standing with us, I'll say that he doesn't know what he's talking about. Many Conservatives who are not from Alberta are simply not too concerned. In reading Hansard it appears that they are concerned about problems that this conflict is creating in their provinces, other than Alberta.

So I do not believe anyone who will stand here and say, well we have the support of the Conservatives. I'm saying you have not. It's a sad reflection on political partisanship when its own party, the party of this province, will not stand up and go to bat for us sincerely and unanimously. We have nobody on our side in Ottawa. For that reason this government ought not to have pushed the political confrontation and escalated it to where it is going to hurt the province, and is going to hurt it a lot sooner than we think.

One more observation I'd like to make - and I'm not saying the Premier was not sincere when he made these remarks - but he has a tendency to emphasize that years ago we sold our oil for \$2 a barrel. We did, and he's saying it's about time we got fair market value. I'm saying that at the time we sold this oil at \$2 a barrel we were getting a competitive price. We were getting the best price we could and even then we couldn't sell all we wanted to sell. We could not hold that oil in the ground. We couldn't afford to - the industry couldn't afford to. So to try to treat that as an indication of, perhaps, inefficient management in the past is simply unfair, Mr. Speaker.

I don't believe the Premier wants to be unfair. But the way he puts it, he'd like only part of the facts known. As I've stated before numerous times in the House, sometimes half the truth can be a lot more misleading and damaging than a complete untruth. I think these things have to be brought to the attention of the House.

Two more points I'd like to make. One is that we have skipped around and avoided confronting the fact that the people of this province are looking for a reduction in the price of gasoline. I know the Provincial Treasurer is studying the issue, but there's nothing to study. He knows the facts. He knows the projected revenues. He knows we're getting a lot more than we intended. He also knows - at least everybody else knows - that the price of gasoline has gone up and is likely to go up.

But we have insisted and pressed him to make his move instead of playing political games, as happens to be one of the characteristics of this government, to stand up and tell the people we will reduce their gasoline taxes. Certainly if any province can, this province can. The time to do it is now, not to wait until it's politically expedient, because the people can see when a government is sincere and when it's resorting to every trick in the book.

So, Mr. Premier and hon. members, let's get that gasoline tax reduced and, to use a well-worn phrase, let's do it now instead of waiting until perhaps the eve of an election - which is probably the time this will be done.

Mr. Speaker, I want to just stress the fact that I sincerely believe this government, under the Premier and his attitude, has escalated the conflict with Ottawa; has not exhausted all possible means of communication and negotiation and settlement with Ottawa on this major issue in a responsible manner. I believe, notwithstanding the fact he's probably riding a popular crest, that he will have to account to the people in the event this whole thing should backfire, as it may.

One other point, Mr. Speaker, is that the Premier admitted in the Legislature that the reason we're moving the way we are - sort of in conflict with our own principles of the past - is that Ottawa forced us into it. I'll buy that argument. We have to make countermoves as if it were a chess game in order to protect ourselves. We have to do this. Is he saying that if Ottawa backed off its position to where we were before, that he would then abandon this move? He's not saying. Once the government gets into business I have never seen it get out. So that part was left unsaid.

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The Premier did a hit-and-run job on this thing yesterday and then said, well, I know it's against our principles but the excuse is terrific. Ottawa is to blame. It's enough to blame the NDP in Ottawa for the fact that perhaps we have some left wing legislation. But to blame that same group for our left wing legislation is comparable to that expression in the book War and Peace, where this renegade who was living it up and drinking and running around was accused by a relative of being really a sinner. He said, yes, I know that I have sinned, but I've got some wonderful excuses.

So this government may abandon its principles of private enterprise with no intention of ever going back because the excuse is there. As long as we can blame someone else, it doesn't matter which way we go. But I'm saying we could have tried, instead of being supersensitive about approaches to negotiation, to do a better deal than this. Because if that is the best this government can do in negotiation with Ottawa, Mr. Speaker, I say that we're in for some pretty surprising and rough times as far as the province is concerned.

Thank you, Mr. Speaker.

[The motion was carried. Bill No. 95 was read a third time.]

Bill No. 96  
The Gas Resources Preservation Amendment Act, 1973

MR. LEITCH:

Mr. Speaker, I move, seconded by the hon. Minister of Manpower and Labour, third reading of Bill No. 96.

[The motion was carried. Bill No. 96 was read a third time.]

Bill No. 97  
The Gas Utilities Amendment Act, 1973

MR. FARRAN:

Mr. Speaker, I move, seconded by the hon. Minister of Consumer Affairs, third reading of Bill No. 97.

[The motion was carried. Bill No. 97 was read a third time.]

DR. PAPROSKI:

Mr. Speaker, on a point of privilege. From this side of the House, to the opposite side of the House, to you, Mr. Speaker, and to all the people of Alberta, we'd like to extend warmest season's greetings and a very happy New Year - a very happy heated New Year.

MR. HYNDMAN:

Mr. Speaker, the Honourable the Lieutenant Governor will now attend upon the Assembly.

ROYAL ASSENT

[The Lieutenant Governor entered the Legislative Assembly and took his place upon the Throne.]

MR. SPEAKER:

May it please Your Honour, the Legislative Assembly of the Province of Alberta has, at its present sittings thereof, passed certain bills to which, and in the name of the said Legislative Assembly, I respectfully request Your Honour's assent.

CLERK:

The following are the titles of the bills to which Your Honour's assent is prayed:

[The Clerk read the titles of all the above bills to which third reading had earlier been given.]

[The Lieutenant Governor indicated his assent.]

CLERK:

In Her Majesty's name, His Honour the Honourable the Lieutenant Governor doth assent to these bills.

HIS HONOUR:

Mr. Speaker, Mr. Premier and the ministers, Mr. Leader, members of the Legislature, in bringing to a close this session of the Seventeenth Legislative Assembly, I desire to express my appreciation of the earnest and diligent manner in which you have applied yourselves to your public duties.

It is with great satisfaction that I have noted the careful attention you have given to the consideration of the various important measures which have come before you, and your steadfast zeal for the promotion of the welfare of our province.

I thank you for the provision you have made to meet the needs of the public service. The sums of money you have thus provided will be expended by my ministers in accordance with the principles of efficient and economic administration.

In relieving you of your duties and declaring the Assembly prorogued, I pray that under Divine Providence our province will achieve an increasing measure of prosperity and happiness and that an even greater future is assured for all of this nation's people.

And if I may digress, may I add a Happy Christmas and the best of the New Year to all.

SERGEANT-AT-ARMS:

Order!

[The Lieutenant Governor left the Legislative Assembly.]

MR. LEITCH:

It is His Honour the Lieutenant Governor's will and pleasure that the Legislative Assembly be now prorogued, and this Assembly is accordingly prorogued.

[Prorogation at 3:30 o'clock]