

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, March 27, 1974

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

PRAYERS

[Mr. Speaker in the Chair]

PRESENTING PETITIONS

MR. JAMISON:

Mr. Speaker, the Community Planning Committee of St. Albert has asked me to present to the Legislature their petition directed to the Hon. Bill Yurko, Minister of the Environment. The petition which took two days and one night bears the signatures of 2,849 St. Albert residents. They request a freeze on industrial development within the town of St. Albert's boundaries as proposed for a Syncrude plant.

They further request a green belt to serve as a buffer zone between the town and the city of Edmonton and to provide a park and recreational area for the joint use of the people of St. Albert and metropolitan Edmonton.

INTRODUCTION OF BILLS

Bill No. 205 An Act to amend The Clean Air Act

MR. HENDERSON:

Mr. Speaker, I beg leave to introduce a bill being, An Act to amend The Clean Air Act. The purpose of the bill, briefly stated, is that under circumstances when the Department of the Environment has issued an environmental control order or a stop order and that order leads to the cessation of an industry in a community and the environmental effects of that industry are strictly local in nature, it makes provision for a local plebiscite on the issue.

[Leave being granted, Bill No. 205 was introduced and read a first time.]

Bill No. 206 An Act to amend The Clean Water Act

MR. HENDERSON:

Mr. Speaker, I beg leave to introduce another bill being, An Act to amend The Clean Water Act, the purpose of which is the same as was stated for Bill No. 205.

[Leave being granted, Bill No. 206 was introduced and read a first time.]

Bill No. 10 The Fuel Oil Tax Amendment Act, 1974

MR. MINIELY:

Mr. Speaker, I beg leave to introduce a bill being, The Fuel Oil Tax Amendment Act, 1974. Mr. Speaker, the changes in the act are of an administrative nature.

[Leave being granted, Bill No. 10 was introduced and read a first time.]

Bill No. 40 The Alberta-British Columbia Boundary Act, 1974

MR. LEITCH:

Mr. Speaker, I beg leave to introduce a bill being, The Alberta-British Columbia Boundary Act, 1974. Mr. Speaker, the purpose of this bill is to provide a method for resolving certain current doubts about the location of the Alberta-British Columbia boundary.

I suppose, Mr. Speaker, it's appropriate for me to quickly add that the bill is not the result of recent news stories to the effect that a number of British Columbia residents, quite understandably, would like to have their areas become part of Alberta.

[Leave being granted, Bill No. 40 was introduced and read a first time.]

Bill No. 210 The Legislative Assembly Amendment Act

MR. PURDY:

Mr. Speaker, I beg leave to introduce a bill to amend The Legislative Assembly Act. In essence, this bill would make an elected member of the Assembly a member from polling day to polling day instead from prorogation until he is sworn in again if re-elected.

[Leave being granted, Bill No. 210 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. FARRAN:

Mr. Speaker, I would like to introduce you and the House to some friends of mine from Calgary. I might say 'old friends', thirty-five of them, from the Golden Age Club of Calgary, accompanied by group escorts, Mr. and Mrs. Perry Fisher, the driver, Mr. Rod Wilson and the Greyhound representative, Mr. Lanny Walkey. These old friends of mine from Calgary have come here to see their elected representatives in action, Mr. Speaker, and at this time I would ask if they would please be so good as to rise and be recognized by the House.

TABLING RETURNS AND REPORTS

MR. YURKO:

Mr. Speaker, I beg to file with the Legislative Assembly an interim report by the Environment Conservation Authority on the restoration of water levels in the Peace-Athabasca delta.

MR. MINIELY:

Mr. Speaker, I would like to file with the members of the Assembly a reply to my letter to the hon. Minister of Finance for Canada, Mr. Turner, on the matter of the capital gains tax on a sale of a farm by a parent to his child.

MR. COPITHORNE:

Mr. Speaker, I would like to table Return No. 108. I would also like to table certain reports required of The Surveys Act and also from the Highway Traffic Board.

MR. DOWLING:

Mr. Speaker, I would like to file the Annual Report of the Consumers' Affairs branch for the fiscal year ending December 31, 1973.

MINISTERIAL STATEMENT

Department of Industry and Commerce

MR. PEACOCK:

Mr. Speaker, last week I reported to you on the results of the western transportation ministers' meeting with the federal Minister of Transport in Vancouver, and commented on our discussions concerning rail cost disclosure. It was coincidental that the hon. Member for Drumheller asked me yesterday in the House the current status of rail cost disclosures. I could not make any comment because at that time our officials, along with the officials of the other four western provinces, including the minister and the president of the CTC, were in consultation for this fact of cost disclosure.

However, Mr. Speaker, I am pleased to report to you that yesterday, March 26, western Canada and Alberta gained an initial and major breakthrough in transportation matters. Officials of my department represented our province at the first meeting of the Canadian Transport Commission panel of cost disclosure. The transport commission appointed a technical committee, as I told you yesterday. This committee will review the costs presented by the railroads in response to our request for specific cost disclosure on a number of items. This first breakthrough was made yesterday in regard to cost disclosure.

The release of the first rail costing data yesterday will lead to a better understanding of the basic economies of rail transport and rail inequities that are inhibiting regional development. While costing data will not solve all these problems, it is necessary in effectively evaluating both rates and the effects of competition.

Our province is still concerned over the depth of data which will be released as discussions continue. The present arrangement, while a sound step forward, relies on cooperation which may or may not exist two or five years from now. We will continue to work to have federal legislation amended.

MR. CLARK:

Mr. Speaker, commenting on the announcement made by the minister, we're pleased that the new-found federal government interest in the whole area of rail cost disclosure appears to be bearing at least a small amount of fruit at this particular time. We genuinely welcome the announcement made by the minister today that at least there is the first release, or rather, an initial start in cost disclosure.

We would simply urge the minister to continue to urge his colleagues in western Canada and, in fact, the federal government, that a minimal start in this direction doesn't mean the federal government is still genuinely interested in this particular matter.

ORAL QUESTION PERIOD

RCMP --- Journalists

MR. CLARK:

Mr. Speaker, I'd like to ask a question of the Attorney General. Did the Attorney General instruct the Royal Canadian Mounted Police, or was he aware that the Royal Canadian Mounted Police security services section has been involved in investigating Alberta journalists regarding their possible affiliation with certain left-wing political organizations in Alberta?

MR. LEITCH:

Mr. Speaker, I neither instructed them nor was aware of that investigation.

Perhaps I should call to the attention of the hon. members that within Alberta there are two components to the RCMP police force. One is what might be called the provincial component which operates under the provincial contract and carries out the province's policing responsibilities. The other component's responsibility is carrying out the federal policing responsibilities, and it's my understanding that it was that component that carried out any investigations that the hon. member may be referring to.

MR. HO LEM:

Supplementary, Mr. Speaker, to the hon. minister. Would the minister indicate if the government has a policy of employing journalists or former journalists to report on their peers with regard to political activities?

SOME HON. MEMBERS:

Oh.

MR. SPEAKER:

The question is hardly - well, certainly it would be unfair not to permit the minister to answer.

MR. LEITCH:

Well, Mr. Speaker, I really had some doubts as to whether the question was worthy of an answer. But despite those doubts, I can tell the member that, so far as I am aware, there is no such policy.

MR. LUDWIG:

Mr. Speaker, supplementary to the hon. minister. Would the minister inquire to determine whether any of the individuals involved in the investigation had any of their rights violated? I'm referring to the Bill of Rights and the human rights legislation of this province. Would the minister inquire to see whether this has happened or not?

MR. LEITCH:

Mr. Speaker, I'd like the hon. member to indicate to us what kind of inquiries he might have in mind. Certainly I can't think of anything at the moment, Mr. Speaker, that could appropriately be done in that area.

MR. LUDWIG:

Mr. Speaker, to explain further. Our legislation, the Bill of Rights and the human rights legislation give individuals in this province certain rights with regard to being discriminated against on the basis of race, colour or creed, and that involves political belief, and I wonder if any of these rights have been violated by RCMP investigating Alberta citizens. Has the Attorney General got some obligation to see that this is not done?

MR. SPEAKER:

The obligations of the Attorney General in that frame are set out by statutes.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Can the Attorney General advise the Assembly whether or not he has requested information from the RCMP as to why the investigations took place?

MR. LEITCH:

I haven't, Mr. Speaker.

MR. NOTLEY:

Supplementary question, Mr. Speaker. I wonder if the Attorney General could advise the Assembly whether or not he has given any consideration to asking the Alberta Human Rights Commission to examine the investigations?

MR. LEITCH:

Mr. Speaker, as I recall that legislation, it sets up a mechanism whereby breaches of the legislation can be dealt with. And I would suggest to the hon. member that he review those provisions of the legislation.

MR. WILSON:

Supplementary, Mr. Speaker, to the hon. Minister of Telephones. Would the hon. minister advise what role Alberta Government Telephones played in the recent RCMP investigation?

MR. FARRAN:

Mr. Speaker, none. It is prohibited in Alberta for even the police to eavesdrop on telephones without special permission by federal legislation of the Solicitor General or the Attorney General.

MR. WILSON:

Supplementary, Mr. Speaker. Can the hon. Minister of Telephones assure us that no such special licence was granted?

MR. FARRAN:

That's correct so far as I know, and I believe it would have been brought to my attention if it had been. I don't believe that such a thing has been granted.

MR. DIXON:

Mr. Speaker, a supplementary question to the hon. the Attorney General. It is regarding the fact of these serious charges - and they do involve Alberta people. Would the Attorney General assure the House that an immediate investigation will be made on this issue?

MR. LEITCH:

Mr. Speaker, I think it would be very inappropriate for a provincial government to launch any investigations into something that was done by the federal government. There may be representations, discussions with the federal government, but for the hon. member to suggest that there should be an investigation by a provincial government, in the way in which the word investigation is normally used, into an action of the federal government, would seem to me to be quite out of order.

MR. DIXON:

Mr. Speaker, in clarification of the point that the hon. Attorney General mentioned just now. Do not the RCMP operate under contract with the provincial government at the present time?

[Interjections]

MR. LEITCH:

If the honourable gentleman had been listening to the answer to the first one or two questions, he would have heard me say that within Alberta there are two components, one of which operates under a provincial contract, one of which carries out federal responsibilities. It is my information that the alleged investigation was conducted by the component that carries out federal policing responsibilities.

MR. DIXON:

Mr. Speaker, one final supplemental to the minister then. Is the Attorney General, Mr. Speaker, telling this House that we have no responsibility whatever the RCMP ...

MR. SPEAKER:

Order please. The hon. member is simply commenting indirectly on the hon. minister's answer.

The hon. Member for Spirit River-Fairview with a supplementary, followed by a final supplementary from the hon. Member for Calgary Mountain View.

MR. NOTLEY:

Mr. Speaker, in view of the fact that at least four of these gentlemen's names are released, and I raise this, Mr. Speaker, by way of explanation, my question to the hon. Attorney General is: what steps can be taken to allow these people to clear their names?

MR. SPEAKER:

Surely the hon. member is asking a matter of legal advice which the parties involved could get from their own solicitors.

MR. NOTLEY:

Mr. Speaker, on a point of order, I'm not asking for legal advice on this matter at all. I'm merely asking whether or not the government has any avenue or any mechanism at this stage of the game to allow people whose names have been carried throughout the media in Alberta and are now under a very serious cloud, whether there is any mechanism to allow them to clear their names?

MR. SPEAKER:

The hon. Member for Calgary Mountain View with a final supplementary.

MR. LUDWIG:

Mr. Speaker, has the hon. Attorney General been in touch with the Minister of Justice in Ottawa since having been made aware of what has transpired in this case with regard to the investigation of the journalists in Alberta?

MR. LEITCH:

No, Mr. Speaker.

MR. HO LEM:

One final supplementary, Mr. Speaker ...

MR. SPEAKER:

We could come back to this topic. We have had about eight or ten supplementaries on it so far.

MR. HO LEM:

With all due respect, Mr. Speaker, this is an important topic.

MR. SPEAKER:

Then it would perhaps merit a main question when we get back to the topic.

The hon. Member for Camrose ...

MR. CLARK:

On a point of order. Then can we ask the Attorney General, in light of his last answer, if he plans to be in touch with the federal government and the Minister of Justice on this matter?

MR. SPEAKER:

As the hon. Leader of the Opposition knows, supplementaries are a matter of discretion. Normally - not in this Legislature but in some - one or two are permitted. We've had about eight or ten on this particular topic. There is some parliamentary tradition to the effect that supplementaries are practically irregular.

Now I think we have had a fair amount of latitude on the topic and there will be no difficulty in getting back to it later in the question period. There are other hon. members waiting to ask questions.

DR. BUCK:

On a point of order and a point of clarification, Mr. Speaker. If there are no further questions then I presume we could return to that question? Could we?

MR. SPEAKER:

Quite.

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

Collection Agencies - Nuisance Calls

MR. STROMBERG:

Mr. Speaker, my question of yesterday to the Minister of Telephones and Utilities was ruled out of order. Mr. Speaker, after much soul-searching of whether to pay the bill for my constituent or rephrase the question to the minister, I've chosen the latter.

[Interjections]

Has the government a program to stop harrassment that is being used by collection agencies on AGT telephones?

MR. FARRAN:

Presuming that's in order, Mr. Speaker, first, the best advice I could give is to pay your just debts and pay your bills.

Under Section 31 of The Alberta Government Telephones Act, a person who uses profane, obscene or abusive language while talking on the telephone is guilty of an offence. The penalty is \$2,000 or six months or both. Under the Criminal Code it's also an offence for anyone without lawful excuse to harrass somebody by repeated telephone calls.

MR. SPEAKER:

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

RCMP - Citizen Surveillance Criteria

MR. NOTLEY:

Thank you, Mr. Speaker. I would like to direct this question to the hon. Attorney General. In the light of The Alberta Bill of Rights, has the Attorney General made any representation or has he had any discussions with federal authorities with respect to the criteria used by the security services section of the RCMP to undertake surveillance of citizens in the province of Alberta?

MR. LEITCH:

No, Mr. Speaker.

MR. NOTLEY:

Mr. Speaker, a supplementary question. In view of the recent incident and The Alberta Bill of Rights, does the hon. Attorney General intend to meet with the Minister of Justice shortly to deal with this question and make representation?

MR. LEITCH:

Mr. Speaker, I think it's perhaps time I called to the honourable gentleman's attention that policing within the province of Alberta is now the responsibility of the Solicitor General. I would think that discussions between the two ministers who are responsible for policing would be more appropriate than discussions between myself and the federal authorities - although I certainly appreciate the concerns that are expressed regarding the civil liberties and civil rights of people in Alberta, and if there is any way, either through those discussions or in any other manner, in which this government is able to improve those conditions, we would be delighted to do so.

MR. NOTLEY:

Mr. Speaker, a further supplementary question to either the hon. Attorney General or the hon. Solicitor General. Can we take it that there will be a commitment from this government then to make representation to Ottawa with respect to the surveillance that has occurred in the last few weeks?

MISS HUNLEY:

Mr. Speaker, I don't know that I would like to use the term "commitment" - to give an undertaking. Certainly I am very interested and very concerned over the rights of our citizens but I'm also very concerned that we not interfere with the national security. One of the activities of security services is that they do, from time to time, investigate probably any number of citizens in all walks of life and all occupations. I really feel that it's quite important to national security that they be able to do so, but also, I do feel strongly that our citizens' rights must be protected.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview with a supplementary, followed by the hon. Member for Calgary McCall.

MR. NOTLEY:

One final supplementary question on this topic to the hon. Solicitor General. Does the Solicitor General - or is it the government's intention to make representation to the federal government with respect to the criteria used by the security section of the RCMP, that is, the criteria they use in trying to deal with what is a national security matter and what isn't? Is it the government's intention to make submissions and representation to Ottawa with respect to the operation of this division?

MISS HUNLEY:

The request does not strike me as being too unreasonable, Mr. Speaker, and I'd be prepared to consider it.

RCMP - Journalists (Cont.)

MR. HO LEM:

A supplementary, Mr. Speaker, to the same hon. minister. Will those investigated have access through your office in order to ...

MR. SPEAKER:

Order please.

MR. HO LEM:

... to obtain the files that have been compiled on them?

MISS HUNLEY:

I would imagine that those whose names have appeared in the paper do have redress if they wish to seek it, and I imagine they would probably follow it up if they wished to.

MR. HO LEM:

Mr. Speaker, I wonder if the hon. minister would inform the House whether this could be possible through the good graces of her office?

MISS HUNLEY:

No, Mr. Speaker, I'm not prepared to give a commitment on that. I'd have to consider it.

MRS. CHICHAK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. Member ... it's a supplementary?

MRS. CHICHAK:

Mr. Speaker, thank you. My question is either to the Solicitor General or the Attorney General. Do individuals involved in the matter under the subject in question not have the right to apply under the Canadian Bill of Rights to the federal government under which jurisdiction the area falls?

MR. SPEAKER:

The member is clearly asking a question involving legal opinion.

DR. BUCK:

Mr. Speaker, to the Solicitor General. Will legal aid be available to these people if they ask for it?

MISS HUNLEY:

I would assume they can apply to Legal Aid and Legal Aid will advise them whether it's available.

Solicitor General's Deputy

MR. LUDWIG:

A question to the hon. Solicitor General. Can she advise when we could expect an announcement as to the selection and hiring of the deputy for her department?

MR. SPEAKER:

Order please. Oh, sorry, that's a main question.

MR. LUDWIG:

Yes, it was.

MISS HUNLEY:

My answer, Mr. Speaker, is that I will be very happy to oblige as soon as that selection has been made.

MR. LUDWIG:

A supplementary, Mr. Speaker. In the event that the Solicitor General has any particular difficulty in this regard, would she ask the opposition to give her a hand? We might be able to accommodate her. Perhaps a bachelor ...

MISS HUNLEY:

I've not been too impressed with any indication I've seen from over there so far, Mr. Speaker.

MR. LUDWIG:

Mr. Speaker, a supplementary. Does the hon. Solicitor General feel that we could be any less impressive in this ...

MR. SPEAKER:

Order.

The hon. Member for Edmonton Norwood followed by the hon. Member for St. Albert.

Fox Creek - Timber Leases

MRS. CHICHAK:

Mr. Speaker, my question is directed to the hon. Minister of Lands and Forests as a result of numerous inquiries I've had.

Could the hon. minister advise what effect the forest development program in the Fox Creek area has on small operators who have existing timber leases?

DR. WARRACK:

Yes, I can, Mr. Speaker. The policy in that regard is that all existing timber rights are respected in any additional forest development. Specifically with respect to Fox Creek that the hon. member mentioned, in that particular instance, a consortium of four

local operators got together, formed their own company and put in a successful proposal to us for additional development in their area.

MR. SPEAKER:

The hon. Member for St. Albert followed by the hon. Member for Calgary Mountain View.

St. Albert - Environment

MR. JAMISON:

Mr. Speaker, I would like to address my question to the Minister of the Environment. Is the minister or his department prepared to work together with citizens action groups such as the St. Albert Community Planning Committee which is at work across Canada to preserve the quality of life style to all Canadians?

MR. YURKO:

Mr. Speaker, the minister and the department are always prepared to work together with groups interested in preserving the environment.

MR. JAMISON:

Mr. Speaker, a supplementary to the Minister of Industry and Commerce. Can the minister advise the Assembly whether he or his department consider obtaining the opinions of citizens living near the location of proposed plant sites, and whether those considerations are weighed against strictly economic considerations in regard to location?

MR. PEACOCK:

Mr. Speaker, yes.

St. Albert - Utilities Development

MR. JAMISON:

If I may be permitted to have another supplementary, Mr. Speaker, I would like to direct this one to the Deputy Premier.

In view of the considerable interest in the St. Albert constituency concerning the cooperative planning and municipal involvement in the planning of water, sewers, transportation and land use, is the Deputy Premier prepared to recommend equalization of industrial taxation throughout Alberta?

DR. HORNER:

Mr. Speaker, I would ask my colleague the Minister of Municipal Affairs to comment.

MR. RUSSELL:

Mr. Speaker, as hon. members are probably aware, there are two current activities which deal specifically with that very item ongoing in the province at the present time. First of all, of course, is the provincial-municipal finance council which has as its terms of reference the very broad subject of the best way and the areas of responsibility connected with them with respect to provincial and municipal financing.

Secondly, of course, the four items that the hon. member alluded to in his question are specifically referred to in Section 12 of the new working document on a proposed new planning act, so perhaps when we get response to both of those items, we will have an answer to that.

MR. SPEAKER:

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

Detoxification Centre - - Calgary

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Minister of Health and Social Development. In view of the expressions of no-confidence in the Alcoholism and Drug Abuse Commission on both sides of the House recently, is the hon. minister prepared to review the decision to establish the Detoxification Centre in the Renfrew district in Calgary?

MR. CRAWFORD:

Mr. Speaker, I have answered the hon. member directly and in the House before in respect to Renfrew and have indicated to him that although I was prepared to and did, in fact, ask the commission to review its application for that particular site before the Calgary municipal authorities, after such reconsideration I wasn't prepared to ask the commission to once again reconsider. The effect of that is, that the decision to allow the project to go ahead at that particular site was made by the Development Appeal Board of the City of Calgary following representations from interested parties and notice to interested parties. The hon. member indicates that is not entirely correct. My information is that it is exactly the case.

MR. LUDWIG:

Mr. Speaker, then in view of the fact that there appears to be, according to the minister, a conflict of facts submitted to him, would he be prepared to circumvent the decision and make inquiries on his own as to how this decision was arrived at?

MR. CRAWFORD:

Mr. Speaker, I have no doubt as to how the decision was arrived at. The Alberta Alcoholism and Drug Abuse Commission, acting in the same manner as any other applicant for a permit to use property in a certain way, made application to the City of Calgary municipal authorities and in due course, after an appeal, its application was granted.

MR. LUDWIG:

A supplementary. Did the hon. minister respond to a petition signed by approximately 400 residents in the area objecting to the establishment of the centre on that particular site?

MR. CRAWFORD:

Mr. Speaker, I know that these items are always subject to differing interpretations, but the report I had from the Alberta Alcoholism and Drug Abuse Commission includes statements made to me that where distinct objection has been evidenced by a resident, the commission has tried to be in touch with that resident in the area and tried to explain the program. If that has not happened in every case, it is a case of them being in the process of doing it. They have, according to my information, contacted some, perhaps not all.

I mention that because the chairman of the commission has informed me that when this sort of approach has been used, quite a number of the people who are approached have an understanding of the community project - which they did not have prior to having a full outline of it given to them - and are much less distressed with the proposal than was the case previously.

MR. LUDWIG:

Mr. Speaker, a final supplementary to the hon. minister. Has he made any personal inquiries as to the facts, since very few people in that area believe the commission at the present time.

MR. SPEAKER:

Order please.

MR. CRAWFORD:

Mr. Speaker, I have certainly made inquiries as to the facts. In the normal course of events the body that reports to me in such matters is the Alcoholism and Drug Abuse Commission and I have no doubt that the information I have passed on to the hon. member in answers today is accurate.

MR. LUDWIG:

Notwithstanding that, Mr. Speaker, I believe the hon. minister is ...

MR. SPEAKER:

Order please. Order please.

The hon. Member for Drumheller, I believe has a supplementary - a question? The hon. Member for Calgary Bow with a supplementary, followed by the hon. Member for Calgary Millican.

Podiatry Act

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Health and Social Development. Is it the intention of the government to introduce legislation during the current session to amend The Podiatry Act?

MR. CRAWFORD:

No, Mr. Speaker, it is not.

MR. WILSON:

A supplementary, Mr. Speaker. Is it the intention of the government to introduce any legislation this session which would accommodate the requests of the Alberta Podiatry Association which have been previously submitted to the minister?

MR. CRAWFORD:

Mr. Speaker, there were a number of requests made over a period of time from the podiatrists. My understanding of the legal position is that those can, at least in part, be met by amendments to the regulations rather than by legislation. Certainly consideration has been given to that. I can't say that the regulations have yet been amended or that the results of that consideration have yet been communicated to the podiatrists, but certainly those representations were considered in that light.

MR. SPEAKER:

The hon. Member for Calgary Millican followed by the hon. Member for Taber-Warner.

Abortion - Provincial Statistics

MR. DIXON:

Thank you, Mr. Speaker. My question today is to the hon. Minister of Health and Social Development. It's regarding a proposal from the federal Minister of Justice, Mr. Lang, asking the provinces to take a look at the rising abortion rate within each province and to check on whether their committees are living up to the spirit of the law under the Criminal Code. Now it may not have come to you, Mr. Minister - maybe to one of the other ministers - but apparently communication has been sent to the government.

MR. CRAWFORD:

Mr. Speaker, to my knowledge, I have not received any representations from the federal Minister of Justice in my office. I have heard via the media that he has had some statements to make on it, but nothing has come directly to me.

MR. DIXON:

A final supplementary question to the minister. In view of the rising abortion rate in Alberta, is there any investigation planned by your department regarding abortions within our province?

MR. CRAWFORD:

Mr. Speaker, I think the context of the hon. member's original question is also the one in which the supplementary should be answered, that is, the question of whether or not the hospital committees are adequately performing their duties. That is the issue I believe was called into question by the hon. Mr. Lang.

I would have to say, Mr. Speaker, that it is most unlikely that anyone could stand in this Legislature and say he knows that all of the numerous committees are performing their duties correctly, in every respect, or in any sense that they are not. There are a lot of committees making these decisions; they have been for a couple of years. I presume and I believe that they act in good faith. The hon. member would know that in almost all cases they are chosen by the boards of the hospitals.

MR. DIXON:

A supplemental question to the minister. Are any of the doctors who are performing these abortions sitting on any of the hospital committees?

MR. SPEAKER:

That would appear to be a question of detail which the hon. member might put on the Order Paper.

The hon. Member for Taber-Warner followed by the hon. Member for Highwood.

Irrigation Projects - Rehabilitation

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the Minister of the Environment in charge of water resources. Could the minister indicate if the severe water shortage - funding for provincially-sponsored irrigation projects in the 13 districts will be increased?

MR. YURKO:

Mr. Speaker, I thought that within the last year this government announced a major program of rehabilitation for southern Alberta, equivalent to some \$28 million, with the federal government, as well as an increase in the allocation of funding from the provincial government. I think the Minister of Agriculture increased his allocation by \$1 million a year last year, so that over some 10-year period, or an 8 to 10-year period, there's the order of \$60 or \$65 million allocated for irrigation rehabilitation in southern Alberta. And that's quite a bit of money.

MR. SPEAKER:

The hon. Member for Highwood followed by the hon. Member for Clover Bar.

Easter Recess

MR. BENOIT:

A question, Mr. Speaker, addressed to the Minister of Education in his capacity as House Leader. Can the House Leader tell the Legislature today of the exact dates of the Easter recess that are proposed for this session of the Legislature?

MR. HYNDMAN:

Mr. Speaker, the exact dates with total firmness I couldn't give to the Assembly. However, I think the general approach at this stage would be for the House to rise at 5.30 p.m. on Wednesday, April 10, and that the next sitting of the House would be one week later on Wednesday, April 17, beginning at 2.30.

MR. GRUENWALD:

Supplementary, Mr. Speaker. Would the House Leader give consideration, with the consent of the Legislature, to moving the hours on that Wednesday to the same as we presently use on Fridays now?

MR. LUDWIG:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I doubt it. I think the rules have made a change in the hours and unless there is an overwhelming vote of the Assembly I think we should continue with the existing rules as they now stand.

MR. GRUENWALD:

Supplementary, Mr. Speaker, for clarification I should say. I said with complete consent of the Legislature, if everybody's agreed.

SOME HON. MEMBERS:

Agreed.

MR. HYNDMAN:

I think if everybody's agreed, I'm the servant of the Assembly, because I'll obviously be voted down on the issue.

[Laughter]

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Drumheller.

Ambulance Service - Task Force

DR. BUCK:

Mr. Speaker, I'd like to address my question to the Minister of Health and Social Development, and his answer may either expedite or slow matters in the House. I would like to know if the minister could indicate if the government has already established a government task force to study ambulance service in the province?

MR. CRAWFORD:

Mr. Speaker, I presume the choice of words the hon. member has used in regard to the government task force is asking me whether or not some of our busy and very competent MLAs have been called in to assist the government in a report. The answer is that at the present time the work that has been done has been on a departmental basis.

MR. SPEAKER:

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

Highway Program - Supplies

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Minister of Highways and Transport.

Is the Department of Highways assured of a sufficient volume of asphalt and cement for the increased highway program this summer?

MR. COPITHORNE:

Mr. Speaker, we have every anticipation of having enough supplies to carry out our program for the coming year.

MR. SPEAKER:

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

Celanese Strike

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the Minister of Manpower and Labour. Can the hon. minister advise the Assembly what the current state of affairs is with respect to the strike at Celanese?

DR. HOHOL:

Yes, Mr. Speaker. The strike is still in that circumstance and is being mediated by our people from the Board of Industrial Relations. The strike is in about its fifteenth day.

MR. NOTLEY:

Mr. Speaker, supplementary question to the hon. minister. Can the minister advise whether both parties are now actively engaged in the bargaining process on an ongoing, day-to-day basis?

DR. HOHOL:

No I couldn't, in that kind of specificity, because the nature of collective bargaining is that you make your arrangements as you go along and unless I were to get daily reports it would be impossible to have that kind of detail. But I can get the information for the hon. member.

MR. SPEAKER:

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

Yellowhead Highway - Federal Aid

MR. COOPER:

Mr. Speaker, my question is directed to the Minister of Highways. Would the hon. Minister of Highways tell us if Alberta is receiving any financial aid from the federal government towards the cost of the highway construction now being undertaken on the Yellowhead Highway?

MR. COPITHORNE:

At this moment, Mr. Speaker, there has been no help from the federal government on the development of the Yellowhead Highway.

MR. COOPER:

Supplementary, Mr. Speaker. Did not the federal government make a commitment to extend financial aid to the Yellowhead Highway construction about January of this year?

MR. COPITHORNE:

Mr. Speaker, there are negotiations at this time in regard to several of the highways in the northern part of Alberta with the federal government.

MR. SPEAKER:

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

Press Gallery - Files

MR. HO LEM:

Mr. Speaker, my question is to the hon. Solicitor General. Would the hon. minister indicate whether security files are kept on any members of the Legislature press gallery?

MISS HUNLEY:

Not to my knowledge, Mr. Speaker.

MR. YOUNG:

Supplementary, Mr. Speaker. Could the hon. Solicitor General indicate whether investigations done by the federal arm of the RCMP - whether those files are kept, or are obtained, by the province?

MISS HUNLEY:

I don't have that information. I'd be pleased to check and advise the hon. member.

MR. SPEAKER:

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

Podiatrist Payments

DR. BOUVIER:

Mr. Speaker, I'd like to direct my question to the hon. Solicitor General in her capacity in charge of the Alberta Health Care Insurance Commission.

Would the minister, by way of clarification, comment on the 38.46 per cent increased payments to podiatrists for the 1973 year?

MISS HUNLEY:

Well, it's a pretty specific question, Mr. Speaker, and I'd have to refer to it. I wonder if, perhaps, there were more podiatrists practising in the province? I can only guess. If he wishes to put it on the Order Paper, I'd be pleased to be more specific.

DR. BOUVIER:

Well, Mr. Speaker, by way of being more specific, there was an 8.33 per cent decrease in the number of podiatrists practising. I'm wondering specifically if it was an increase in the services performed by podiatrists or whether there was an increase in the schedule of benefits paid to podiatrists that created a 38.46 per cent increase, which made them the highest-paid practitioners ...

SOME HON. MEMBERS:

Put it on the Order Paper.

MR. SPEAKER:

Order please. Order please. The hon. member is clearly submitting debate and if he wishes to have the details perhaps he could put the question on the Order Paper.

The hon. Member for Calgary Bow.

Calgary Drug Information Centre

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Health and Social Development. Has the minister received any communications or expressions of opinion, other than from within the Legislature, either in favour or against the ministerial announcement yesterday on the Calgary Drug Information Centre?

MR. CRAWFORD:

No, Mr. Speaker. I, of course, occasionally read the press, and I think that in it were some reports that it was favourably received by interested parties. But I haven't had a chance yet to be informed about correspondence to my office.

MR. WILSON:

Supplementary, Mr. Speaker, has the hon. minister had any communication from the Chairman of the Alberta Alcoholism and Drug Abuse Commission on the topic?

MR. CRAWFORD:

Well, Mr. Speaker, in the sense of the hon. member's original question, no.

MR. SPEAKER:

The hon. Member for Calgary McCall.

Spokane World Fair

MR. HO LEM:

Yes, Mr. Speaker, my question is directed to the Minister of Culture, Youth and Recreation. Could the minister indicate if the provincial government will be contributed to the Calgary Festival Days activities, as requested by the North Calgary Jaycees Organizing Committee?

MR. SCHMID:

Mr. Speaker, the provincial government will be contributing to the travel of several groups who are going to the Spokane fair. And that's what the festival is all about - to raise funds for the Young Canadians going down there, and the provincial government will do so directly.

MR. HO LEM:

Supplementary, Mr. Speaker, could the minister indicate what the amount of contribution is to the Calgary Jaycees?

MR. SCHMID:

Mr. Speaker, we are right now contacting all the groups which have applied to us for assistance in travelling to Spokane. We are finding out how many members they have, when they are performing, their mode of travel and the number of days they are staying. After we have all that information, we will decide the individual amounts to be granted to the different organizations, associations or groups.

MR. HO LEM:

Final supplementary, Mr. Speaker, could the minister indicate if his department has communicated the Alberta plans to the North Calgary Jaycees Organizing Committee, in that the Calgary Day is heading the official kick-off for Expo '74?

MR. SCHMID:

Mr. Speaker, as Commissioner for Alberta for the Spokane Expo Fair, I'm very much aware that Calgary is heading off - in fact on May 5 - this very important event. As I have just said a moment ago, we are contacting all these groups, and they may have been contacted yesterday, the day before, or today, to be asked the questions that I have just indicated, and I'm now referring, of course, to the Young Canadians.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation.

Soft-Drink Cans

MR. SORENSON:

Mr. Speaker, my question is to the hon. Minister of the Environment. In view of the fact that British Columbia has banned the soft-drink cans with detachable parts, is it the minister's intention to ban these cans in Alberta?

MR. YURKO:

Mr. Speaker, I discussed this matter with the minister in charge of these matters in British Columbia in considerable detail last summer, when he indicated that they might be moving in this direction. We have as yet in Alberta not found it necessary to ban any type of container or any type of structure of a container, and we are not contemplating doing that in the immediate future.

ORDERS OF THE DAY

MR. HYNDMAN:

Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider Bill No. 2, The Appropriation (Interim Supply) Act, 1974.

[Mr. Speaker left the Chair.]

* * * * *

COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The committee will come to order.

Bill No. 2
The Appropriation (Interim Supply) Act, 1974

Title and Preamble

MR. LUDWIG:

Mr. Chairman, on Title and Preamble, I wonder if the hon. minister can advise the committee whether, in any of the departmental budgeting for last year, there were any surpluses? And I'm particularly concerned about the Department of Public Works which has sometimes not had its projects completed, or tendered, or maybe for various reasons of inability to proceed. Have there been any surpluses in any of these departments and, if so, how much?

MR. MINIELY:

Mr. Chairman, in reply to the hon. member. First, any forecasts of expenditures were provided as appendices to the Budget Address from pages 27 to 59. As for surpluses of any consequence, there really aren't any other than - I think there were a couple.

One was the forecast of expenditures in the Department of Public Works, that was about \$8 million. The Minister of Public Works advises me that by the end of their fiscal year, March 31, most of this will have been expended.

In the case of the Department of Highways, there was a question raised relative to the amount of grants to municipalities, the forecast showing that all of those funds would not perhaps be expended. I discussed the matter with the Minister of Highways. He advised me that it's the custom of the municipalities to ensure they get their applications in prior to the fiscal year. So we anticipate that there will not be any surpluses of any consequence in these areas. There might be small surpluses in some other areas - unexpended funds - but those were the only two, when I reviewed them, that would have been of any magnitude. Those were the answers that the Minister of Public Works and the Minister of Highways gave [me].

MR. LUDWIG:

Mr. Chairman, a further question to the hon. minister. Could he advise now, or get the information for me, with regard to the different guaranteed loans that we have going

for us in this province. I am thinking of the MPC, the Alberta Opportunity Company, any guaranteed loans through the Department of Agriculture and any other which I may have overlooked. Have any of the amounts provided for by way of guarantees under legislation - have any of these amounts been exhausted or has the total amount of guarantees provided for not been taken up? I am just anxious to know whether we are justified in granting great increases in the amount of guarantees for next year. That is the concern I have.

MR. MINIELY:

Mr. Chairman, I am not sure whether I know exactly what the hon. member wants. If I could review it, first I can provide him with a summary of the total outstanding guarantees of the province, updated to the most recent date we have it, because we have been monitoring this on a regularized quarterly basis. That is a summary in total of the guarantees outstanding under any provincial act. It is relative to the individual guarantees. While these could be compiled under the various acts, they are a matter of public record through orders in council and are available to all hon. members. I would hope that you would not put us to unnecessary work in terms of recompiling them because they are orders in council. Every guarantee is put through by order in council under the act.

Your general question as to the acts, whether any of them are nearly used up - I think my colleague, the Deputy Premier and Minister of Agriculture's ag. societies act fund is reaching close to the amount authorized under that Act. He and I are meeting with respect to looking at that and perhaps doing something differently, particularly relative to the Calgary Stampede and the Edmonton Exhibition boards' requirements which are substantial and which have normally been funded under those acts. We think maybe we could have a new vehicle for those two large groups.

Any other acts have been assessed as to the guarantee needs, and either the statutory limitation on the total amount of guarantees is sufficient for the upcoming year or else we are amending the upper limit, as in the case of the Agricultural Development Fund which, as you know, is in for an increase from \$50 million to \$75 million.

In conclusion, I could provide you with a summary of the total outstanding guarantees at the most recent date that we have them monitored. I might also add that I'm pleased with the loss experience to date. We watch the guarantees and try to ensure that the total amount outstanding is well within the province's means to meet the guarantees and that the debt-loss ratio is reasonable under the various acts, giving room for some variances between one act and another because the social purpose is different. But I could provide you with that summary, and the other individual guarantees are all a matter of public record.

MR. LUDWIG:

Mr. Chairman, one more question. Although I think the minister anticipated my next question - I know that this can be had perhaps dealing with a specific department, but I was interested in getting all this material at one time instead of picking each department individually.

I'm concerned about whether there have been any defalcations or, say, any defaults in payments under the loan agreements with the Alberta Opportunity Fund, and whether that would be dealt with through you or through the Minister of Industry and Commerce?

MR. MINIELY:

On behalf of my colleague, the Minister of Industry and Commerce, we also have regular quarterly reports on the direct lending and guarantees under The Alberta Opportunity Fund Act. Relative to the position of the loans and whether they're delinquent or not, this information could be provided, I think. We've tabled all the figures and all the guarantees in direct loans of the Alberta Opportunity Fund for the members of the Legislature. If that information does not contain the status of the loan, then I'm sure that we could provide that to you.

MR. RUSTE:

Mr. Chairman, to the minister. What was the amount of the special warrants passed in this last year? I understand that they're up until the session starts and then you cut them off.

MR. MINIELY:

Mr. Chairman, I think that those are in the estimates in the budget I presented. I might be out a little bit, but it's somewhere around or slightly over \$90 million. I might point out that of that \$90 million a substantial portion results in two areas alone. One is land purchases for needs that we assess will be required five and six years down the road in terms of provincial park development in Edmonton - also the highways

development that we're purchasing in advance of need. The other area where there were large amounts of special warrants was when last fall we took specific needed action to assist our citizens on lower incomes in terms of the cost of living. There was the \$10 bonus to senior citizens and basically other policies to overcome that particular need of our citizens at that time.

I think that answers your question.

MR. RUSTE:

Just one further question - and I see the Minister of Lands and Forests isn't in at this time - but there was a special warrant passed to purchase two helicopters. I was just wondering what the reason was for not budgeting for it rather than go back. There may be some explanation if you can get it for me.

MR. MINIELY:

Perhaps he could clarify further, but you know that when special warrants pass they do pass over my desk. Of course these are the questions I ask as well.

Basically it was just that the needs in terms of the Department of Lands and Forests were such that at the time the budget was prepared it did not anticipate that the use of the helicopters would be as great as it was. I think one was just an exchange of an older helicopter for a new one, and that was basically what was involved.

MR. CHAIRMAN:

Any further questions or comments?

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

MR. MINIELY:

Mr. Chairman, I move that Bill No. 2, The Appropriation (Interim Supply) Act, 1974 be reported.

[The motion was carried.]

MR. HYNDMAN:

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

MR. CHAIRMAN:

Is it agreed?

HON. MEMBERS:

Agreed.

[Mr. Chairman left the Chair.]

* * * * *

[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of Supply has had under consideration Bill No. 2, The Appropriation (Interim Supply) Act, 1974 and begs to report same.

MR. SPEAKER:

You have heard the report. Do you all agree?

HON. MEMBERS:

Agreed.

GOVERNMENT MOTIONS

1. Moved by hon. Mr. Miniely:

Be it resolved that the Assembly approve in general the fiscal policies of the government.

To which the following amendment has been proposed:

Moved by Mr. Ludwig,

That the government be apprised that the members of this Legislature deplore the government's failure to take any effective action to alleviate the very real disadvantages forced on many unfortunate people of this province by the rapidly accelerating devaluation of the dollar.

[Adjourned debate: Mr. Trynchy]

MR. TRYNCHY:

Thank you, Mr. Speaker.

In going over the Hansard of the speech of the hon. Member for Calgary Mountain View - I read the speech this morning, and while reading the speech, I found nothing in it. As I got down to the end, of course, I found nothing in the amendment and just to read the amendment, which is a foolish amendment, it says:

That the government be apprised that the members of this Legislature deplore the government's failure to take any effective action to alleviate the very real disadvantages forced on many unfortunate people of this province by the rapidly accelerating devaluation of the dollar.

Now, Mr. Speaker, when we talk of the dollar, I think the hon. Member for Calgary Mountain View should express which dollar he is talking about. Is it the Canadian dollar? Is he talking about the federal government, or is he talking about the Alberta dollar which 36 years ago they tried to put into reality?

MR. LUDWIG:

Mr. Speaker, I'm talking about the dollar that most Albertans couldn't hang on to.

[Interjections]

MR. TRYNCHY:

I see the hon. member is up to his usual tricks. He can't sit still and listen. He's jumping up and down like a jack-in-the-box.

Mr. Speaker, when you speak of the government's failure to take the issues at hand, I think the member leaves a lot to be desired. On one hand, the members on the other side say we are entering into prosperity; we have funds coming in in the billions. Well, I say to them, Mr. Speaker, that we should wait until we get them. As a matter of fact, we don't know what the revenues will be. Any government that spends money before they've got it is a foolish government, and that's why they are over there and we're over here.

They talk about personal tax reduction, income tax reduction, and that's a foolish thought. I can read from Hansard, and it says:

... I say income tax because I think it's important that we use whatever mechanism that is administratively feasible to get money into the hands of the low-income people, and an income tax reduction in my judgment is that way.

Mr. Speaker, that's got to be so far from the truth that it's not even funny. And across the board, income tax reduction helps the people who need it least ...

MR. LUDWIG:

That's what you've been doing all the time.

MR. TRYNCHY:

... because the larger the income, the larger the deduction. So when you are trying to help people with low incomes, you are not helping anybody. When you talk of income tax reduction, when you talk of 50 per cent reduction, the people who make the greatest income

get the greatest reduction, and the people who are in the 10 per cent bracket only get 10 per cent of the reduction so how feasible and how much justice is there in that policy? Yet the Social Credit government in 1969, when they had reserves amounting to over half a billion dollars, increased the income tax. And here we have a surplus of \$19 million, we're trying to run a government that is keeping equal terms with spending and revenues, and they say reduce income tax.

DR. BUCK:

I'm sure glad somebody admitted we had a surplus.

AN HON. MEMBER:

It's the first time you've admitted it.

An intangible surplus.

MR. TRYNCHY:

Mr. Speaker, when we look at the tax reductions that this budget has for Albertans, it's just phenomenal. I notice we have some senior citizens sitting with us and I hope they just wait around until I go through some of the things we've done for senior citizens and some of the things they say we haven't done.

Mr. Speaker, the Member for Calgary Bow expresses his concern for the civil service in this province and the ever-increasing amount of civil service that we have. I must agree, Mr. Speaker, that in 1974 with a budget of \$1.9 billion we have an increase of 9.9 per cent.

AN HON. MEMBER:

Shame, shame.

MR. TRYNCHY:

Yet, let's go back to 1967 - and I want to hear you say "shame" again - the budget was not even half of what it is today and their increase was 11.9 per cent.

SOME HON. MEMBERS:

Oh, oh.

AN HON. MEMBER:

Shame.

MR. TRYNCHY:

In 1968, one year later, the same budget, the increase was 12.5 per cent. Let's look at it, Mr. Speaker, in the eight years previous to when we took over. Their average increase was 9.8 per cent. Our increase in the last three years is 4.5 per cent. Mr. Speaker, this year in 1973, we've had the largest per capita increase for Alberta citizens. It's been the largest since 1956.

MR. LUDWIG:

Inflation ate it up.

MR. TRYNCHY:

We've had farm receipts which are the highest in the history of Alberta, \$1.2 billion.

AN HON. MEMBER:

What about the expenses?

MR. TRYNCHY:

We've had the municipal government grants which they have made so much noise about at 7.5 per cent restrictions removed this year so local government has an open hand to do what they wish.

They talk about what we have done for the underprivileged and handicapped. I would just like to point out one or two things we have here.

AN HON. MEMBER:

You can't find them, they're too small.

MR. TRYNCHY:

When you go back to last August when we spent \$11.2 million on assistance to senior citizens for eyeglasses, hearing aids, dentures and a \$10 per month allowance on the guaranteed income supplement, is this not taking care of the disadvantaged and handicapped and the low-income people?

Mr. Speaker, getting back to tax. When you travel the rural areas, such as I do, the people who are in the low-income bracket have no worry with income tax because they don't pay any income tax. And they say, let's give them an income tax reduction because it doesn't even help them. What kind of government would they make? I can see what kind they'd make. That's why they are there.

They say, let's not increase the price of oil because it causes inflation. Well, Mr. Speaker, how can we stop this? How can we have money to pay for stuff that we have to import, that we have no control over, such as baler twine that has tripled in price, steel, minerals for cattle and so on that come from the States, our cars, our freight rates and the whole thing. They say, let's keep the price down because if the oil is low we'll have no inflation. How ridiculous!

MR. LUDWIG:

You forgot fertilizer.

MR. TRYNCHY:

They talk about what we've done ...

AN HON. MEMBER:

It's all spread over on that side.

MR. TRYNCHY:

... for the underprivileged and handicapped. The hon. Member for Macleod spoke the other day, and he says we give every Johnny with a guitar a grant so he can get going. Well, Mr. Speaker, maybe he has a point there. Maybe we shouldn't give Johnny with his guitar a grant so he can get going, but we must have these grants for the young farmer who is just starting up, the farmer who needs assistance such as snowed-under crop assistance, interest free. The cattle shed, the watering program, he's got to have some grants in some way to get ahead. Without this assistance from government, or somebody who cares - and I say we care - then he will not get there and, of course, then we have unemployment, and if we have unemployment we have inflation.

How do you provide the 32,000 jobs we provided last year? Is it because we've had controls?

AN HON. MEMBER:

Increase the civil service.

MR. TRYNCHY:

Yes. It's because we've worked forward and moved in the direction that a good government should.

Mr. Speaker, when you talk of disadvantaged and underprivileged, I'd like to point out to the members, if they have their budget books they should open up their pages and look at the \$4.9 million for disadvantaged pupils and students.

On Mental Health Services, on page 13 if they'd care to read, \$20.1 million. On Alcohol and Drug Abuse, a 71 per cent increase. A total of \$3.7 million and that's on page 14 if they'd care to look.

The thing we've done, providing jobs such as in the Whitecourt-Fox Creek area where we've allowed forest industry to take on a program which will mean 800 new families into the town. You know, in reading the budget speech that they've made up to now and their speeches on this amendment there hasn't been one alternative proposed by that side. Now is that the opposition? They rant and rave, they go around in circles, especially that speech I read by the hon. Member for Calgary Mountain View.

Mr. Speaker, we hear from the hon. Member for Calgary McCall that we're spending money like drunken sailors, it says here. Well I suggest to you, Mr. Speaker, when he's making his next campaign speeches to senior citizens and all this, I want him to say that we've spent all this money on them and it was no good. I would like him to tell it to those people up there.

Mr. Speaker, I circulated an article last winter to my constituents, approximately 4,500 people, and I got a little over 400 replies back which I thought was pretty good, 10 per cent of them. There are a number of things I could bring up, but just a few that show the government what the people think and what they think of what we are doing. I'll start off with some of the items, and I won't mention them all because I am sure the hon. members might not like to listen to them. They say we are doing a good job on administration. Number two, really good service to all Albertans and this, I think, is what we have to do. And when we think of Albertans, we have to think of them in the low income, the handicapped, the underprivileged, the senior citizens and everybody.

AN HON. MEMBER:

Hear, hear.

MR. TRYNCHY:

They say the property reduction tax is good. The effort that has been made to aid the handicapped. Improvement of housing standards, the support given to farmers in agricultural products.

Another point, really trying to communicate with people to reform policy. Recognition that is given to farmers. Help and assistance given to aid the Peace River farmers in the problem. I notice the hon. Member for Spirit River-Mountain View - Spirit River-Fairview - has left his seat again. I get the two of them mixed up because they remind me of magpies. They are always squawking about something and don't know what they are doing.

AN HON. MEMBER:

An odd looking couple.

MR. TRYNCHY:

Another bouquet for the government. Concern for the welfare of the province as a whole. Standing up to Ottawa for our oil rights. Keeping our campaign promises, and this comes from people in my constituency, 10 per cent of them. Holding the line on taxation. Good communication with people and tax benefits that are made available to help old-age pensioners.

Mr. Speaker, I could go on and on and on. Mind you, we have some beefs. We've got some beefs too and here are a couple that they really like, the Manning resources railroad, another one, the Japanese coal deal, and I could go on.

Mr. Speaker, I intend to get into the budget debate later on. I wasn't going to enter into this but after the distortion of the facts that we heard last night, how can you help but not stand up and express the truth and say it as it is, and that's what I believe in.

Mr. Speaker, in conclusion, I want the hon. members to open up the budget book on page 21 and read what we've done.

AN HON. MEMBER:

They can't read.

MR. TRYNCHY:

Well, possibly some of them can't read. I know some of them can't write because when you look at this amendment, you know, a Grade 2 student could have done a better job.

Mr. Speaker, I just want to say that this amended motion that was presented is so foolish, so ridiculous, it should be voted down without any hesitation right now. Thank you.

MR. DIXON:

Mr. Speaker, speaking to the amendment, I didn't intend to get into this debate until ...

AN HON. MEMBER:

You don't have to.

MR. DIXON:

... until the hon. Member for Smoky River asked for some advice from this side of the House. I'm prepared to give him some, Mr. Speaker.

But, first of all, I think we should take care of the hon. Member for Whitecourt. You know, I'm pleased that we have some senior citizens in the House because apparently he was playing to the gallery. But I don't think the senior citizens in Alberta are going to get too carried away on \$10 a month when you know in this year alone there has been over \$400 million increase in the budget. So I don't think we're going to get any medals for helping our senior citizens by \$10 a month. Certainly it helps them, but if you think of inflation running away at 8 or 9 per cent it doesn't even keep up with inflation for our senior citizens.

I also got, Mr. Speaker, a little amused at the hon. member when he was speaking about - I think it was pay-as-you-go or something - that this government was going to live within its budget and all this. Well I'll lay a challenge to the hon. member that his government will never be in office for as long as the former government was, on a pay-as-you-go basis. We have the record in Canada and it's going to be hard to beat.

[Interjections]

The hon. member said one or two other things in referring to this \$10 a month he is so proud of. I'd like to remind the hon. member, Mr. Speaker, that when things weren't so tough, long before oil was discovered in Alberta, the former government was the first government in Canada to implement a supplementary allowance over and above the federal plan. So we can take some credit too.

AN HON. MEMBER:

Hear, hear.

MR. DIXON:

But I don't like us using our senior citizens as whipping boys. I think we've got to do more than just give them a hand-out and say, goodbye and don't bother - here, we're handing you \$10, or we're doing this. This is not what they want. They still want to remain part of society and I think the biggest job facing any government is to encourage the interest of all citizens, regardless of age, to take their part in this community in this province of ours. Referring to our senior citizens, the reason that some of us are here today is because of their pioneer efforts. I would still like to keep them within our community, not only supplying their material needs, but encourage them to participate, not saying, here's \$10 and goodbye until your next cheque comes.

The hon. member talked about this big forestry development in Whitecourt. I don't think there are any 800 families in Whitecourt at the present time. I haven't heard of them if they are. We can all give these Chamber of Commerce type speeches that all down the line we're going to have 800 people here in my constituency. Well, I think it will be a while before we see 800 families move into your constituency, hon. member.

[Interjections]

But getting back to the original idea, Mr. Speaker, of getting into this debate on this amendment, is the hon. Member for Smoky River.

Now, he said he was concerned that heating oil was quite a high price in Alberta. Well, I don't see why he should appeal to the opposition to help bring down the cost of heating oil. Because all he's got to do is go down about five rows to the hon. Minister of Telephones and Utilities, well, he'll roll the price back. Just tell him. This is what happens. Well why worry about asking us?

[Interjections]

So you are going to get price control whether you like it or not.

[Interjections]

The other thing I'd like to state, Mr. Speaker, is in reply to the hon. member challenging us to give some ideas of where we could cut down in the budget. Well, I'd hate to bring this up because it's coming awful close to home to the hon. Member for Smoky River. I think we can start right away with something I don't think we need in this province, the Grain Commission.

AN HON. MEMBER:

Hear, hear.

MR. DIXON:

I really feel that it's a duplication that's unnecessary in the modern day, in the modern marketing that's going on with grain in Canada. There's number one. Number two, I could say that we could cut down, Mr. Speaker, on the task forces carried out where only Conservative or Tory members get paid, nobody else.

AN HON. MEMBER:

Don't run away, where are you going? Stick around.

MR. DIXON:

So, I think, too, Mr. Speaker, another portfolio we could look at is that of intergovernmental affairs. The way intergovernmental affairs are in Canada today, I think they are at the lowest ebb in the history of Canada, between our province and Canada. So I can see that there are all sorts of items that we could cut out of the budget.

The hon. Member for Calgary Bow mentioned the growth of the civil service. Now the hon. Member for Whitecourt - I'm sorry he has left his seat because I wanted to refer to him - you can juggle averages any way you want, or percentages. But we have had the largest growth of civil service in bodies, people, in the last year or two than in the rest of the history of our province, when you compare not only the civil servants but all these other people that we're hiring under contract. We have had the largest increase of boards and commissions in the last two years than in any time in the history of our province.

Now, the only thing that I am sure of, Mr. Speaker, is that the hon. Member for Calgary Bow - I would like correct a figure. He said that everybody would be working for the government by 1980. And he could be correct. But I am sure that every unemployed Tory will be on the payroll long before 1980, if this present government doesn't change its hiring practices.

It has been said in this House, I don't know, but the other day they were giving an example of a non-political person that they hired. Nobody worked harder to get the Social Credit government out of office than the man they hired, so they might as well have hired a Conservative and saved the time.

AN HON. MEMBER:

Wise choice.

AN HON. MEMBER:

Who was he?

MR. DIXON:

But, Mr. Speaker, when we look at the budget, one of the reasons I'm going to support the amendment is this. When this government came into office, for the first time in the history of Canada a provincial government came into office and took over a good, businesslike, efficient organization as was the situation here in this province in September of 1971 ...

[Interjections]

Now, I know, Mr. Speaker, that the facts may hurt some of the honourable gentlemen opposite, but I would like to repeat this ...

MR. MINIELY:

Want to hear about the former management of ...

MR. DIXON:

... there was a healthy income coming in from the development of our natural resources, there was money in the till, Mr. Speaker, there were reserves, our province had the best credit rating in Canada.

AN HON. MEMBER:

What were you doing with it?

MR. DIXON:

We had an excellent investment climate. I'd like to repeat that. As I look across at the hon. members, and I've known quite a number of the hon. members, Mr. Speaker, for many years, I thought really they were private enterprisers. But I'm striking one or two off my list every day. I'm getting very close, Mr. Speaker, to where we only have one or two left on the opposite side that you could really say are private enterprisers.

AN HON. MEMBER:

All big business, no small business.

MR. DIXON:

Yes, and some hon. member has said they are all big business and no small business, but I'd like to remind them that the small business people, both in agriculture and in industry, are the backbone of our province.

DR. HORNER:

Why didn't you do something for them?

MR. DIXON:

Now if the hon. Minister of Agriculture will just control himself for a moment or two, I'm going to get to him.

Well, anyway, Mr. Speaker, there were no major problems for this government to face when it came into office. I'd like to repeat and challenge any member opposite to show us any other government that came in in a provincial election in all the history of Canada that took over as healthy a political situation and as good an administration and a good sound business climate as this present government took over in 1971.

[Interjections]

Now any new government taking over under these conditions would have to be very incompetent if it wouldn't look good for a few years. So, I'm saying, Mr. Speaker, to the hon. members that they are going to look good for a year or two because of the sound policies and the development that we had this province built up to.

DR. WARRACK:

16 per cent oil ...

MR. DIXON:

Yes, somebody mentioned 16 per cent oil, Mr. Speaker, one of the hon. members, I believe it was the hon. Minister of Lands and Forests. I am saying, Mr. Speaker, to the hon. Minister of Lands and Forests, those conditions brought the development our oil industry is in today. It wouldn't be in the position it is in today and we wouldn't be able to cash in on the fact that we have oil development in this province, that is here for sale at the present time at good prices.

[Interjections]

We developed it by the fact that we had a climate of investment where people were anxious to come here and invest. We didn't have to go around looking for people with \$11 or \$12 million to bolster some industry up so it would stay in this province.

Then, of course, through you, Mr. Speaker, I'd like to remind the hon. members that two or three things have happened. This government was very fortunate in the fact that no sooner were they elected than the price of oil skyrocketed - no thanks to the present government, it was the Arabs in the Middle East.

AN HON. MEMBER:

What about natural gas?

MR. DIXON:

No thanks to the present government the price of grain is where it is today in the province of Alberta. We are very fortunate that farmers in Alberta are ambitious and are developing an agricultural base here in this province that we are able to take advantage of - and we are taking advantage of the high prices. So I repeat again, Mr. Speaker, that if a government taking over a situation like the present government did in 1971 -

well, if they don't look good for a few years there is something radically wrong. I think it's going to be successful in spite of itself.

Now, Mr. Speaker, we have heard considerable in this budget about how wonderful it is. Well, if somebody is handing you dollar bills you have to be successful. It's just like your rich uncle dying and leaving you a farm and a million dollars. If you aren't successful for a year or two or until you squander it, well, there is something wrong. What I'm saying, Mr. Speaker, is it is not what is in this budget that is why I'm so anxious to vote for this amendment. I believe that it's a good amendment. Somebody talked about the fact that they didn't like the wording of it. Well, all right, but the trouble is that we've got to them. They know what it means. That's basically, Mr. Speaker, why I feel the hon. members opposite realize full well that with the kind of money and the opportunities they have had there is no reason why they shouldn't be successful in spite of themselves. But I always say, it's not what is in the budget but what is not in the budget that I'd like to talk about.

The ordinary people of Alberta have been short-changed by their government in this budget. And this is the reason I give - I don't believe in criticising without giving a reason - you have only to scrutinize the tax and cost reduction programs in the budget to see they represent less than 50 per cent of the petroleum and corporation tax increases in this year.

AN HON. MEMBER:

Oh, oh. Here it goes again.

MR. LUDWIG:

If you'd only use the brains ...

MR. DIXON:

Mr. Speaker, we've heard a lot about this 5 cent gas reduction we are going to get. Now everything needs a little scrutiny before we start patting ourselves on the back and bragging about what we are doing. If you take the average driver who drives 10,000 miles a year, do you realize, Mr. Speaker, what it will mean to him? It will mean a saving of some \$25 to \$30.

AN HON. MEMBER:

That's good.

AN HON. MEMBER:

How about the raise?

MR. DIXON:

Now, with a Conservative or a Tory government in this province, maybe we should be thankful for small mercies.

SOME HON. MEMBERS:

Agreed.

MR. DIXON:

But this is the issue. You know, Mr. Speaker, I believe the government should take this matter of the gas tax seriously and take it off completely. And I say that for this reason ...

AN HON. MEMBER:

Inflation.

MR. DIXON:

... because of the fact that the former government built a network of roads in this province second to none in Canada under the able former Minister of Highways, those roads all being paid for, and basically a fuel tax is to help build and pay for roads. Well, our roads in Alberta are all paid for. Now if some government had taken over the government in Ontario, for example, where they are millions of dollars in debt to pay for roads already worn out, then I would say, well keep the gasoline tax on. But as we turn back to this province where our roads are all paid for, and if we really want to do something about reducing gasoline [costs] in Alberta, we should cut the thing out completely, because we'll certainly have enough money, at least at the present time while

oil prices are high and we all hope that they will remain reasonable. As the Premier has always said, we'd like to get fair value for our resources. Well, if we do get fair value for our resources, there will be lots of money here to build highways with and we should not have to implement a gasoline tax until that situation changes. So I recommend, Mr. Speaker, that we seriously think of deleting the gasoline tax completely.

Turning closer to a thing that affects almost everyone, is the personal income tax. Mr. Speaker, we've heard a lot in this Legislature in the last few days, and in particular since this amendment was introduced, about this wonderful \$15 million they are going to save on income tax by indexing the income tax to the cost of living. Well, that's a wonderful thing, but if you are only going to give that paltry amount, that represents less than half of 1 per cent of the income tax collected in our province. As I mentioned a few moments ago, with inflation growing at least 8 or 9 per cent a year, you can see how far apart we are if we really want to help our people.

Now, Mr. Speaker, one final item I think we should remind the hon. members about is the reduction of 28 mills that we hear so much about. Well, no sooner did we get a reduction of 28 mills announced, than my own city of Calgary, yesterday or the day before, lo and behold a 2 per cent increase in business tax.

AN HON. MEMBER:

What's that got to do with it?

MR. DIXON:

The municipalities are complaining. They are grateful for the small mercy of 28 mills, but they are still complaining that they have not got the money they need to carry out their responsibilities. But I believe, Mr. Speaker, that the municipalities should revamp their whole system of providing the type of service they do for the local taxpayer. I think they should get together, Mr. Speaker, with the Minister of Municipal Affairs and government officials and all those interested, to actually spell out what they feel are municipal services that should be tied to the tax dollar. I think that is where we should start. I believe it would put us in the position where we could say, yes, that expenditure is for something that has a direct relationship to the taxpayer's dollar. What is to prevent municipalities now from doing the very thing they argued about with the education tax? They said that had no relationship to servicing of property and should be paid for by the province. So I think as we remove this 28 mills, we should have a spelling-out of the services they believe do come under that category, actually associated with the tax dollar.

There is a lack of any government policy or direction, other than some pump-priming, really, when you stop to analyse the budget. When you've got the money flowing in that we have, you can easily prime the pump. I think the pump not only needs priming, but you also want to look a little further along as to the future and what are some of the important things we should be doing for Albertans when we are blessed with the present revenue.

I can think of one thing, Mr. Speaker, right in my own city of Calgary which I feel the government should give serious consideration to in the field of recreation. We have youngsters who are getting up at 4:00 and 5:00 o'clock in the morning looking for ice to either play hockey or skate. We have very few closed-in swimming pools. And if we're really concerned about our youth and if we are really concerned about getting them off the street, getting them away from drug problems, I can't think of a better way than keeping them occupied down in a recreation area.

I would like to give a bouquet to the government. I think that through the Minister of Agriculture, who I think is a real friend of the farmer in many cases - he may turn out to be an enemy of the farmer in some other cases when he gets them into too much debt - but I'm thinking in particular of the agricultural grants which help communities to have recreational facilities within their areas. I think that's a good thing. But I think we have to carry a similar program with a much larger scale back into our urban areas, because I can't think of a greater need at the present time, as far as our young people are concerned, than recreation facilities. As a matter of fact, Mr. Speaker, the present plebiscite in Edmonton and the two that were lost in Calgary just recently point up the fact that there is a great interest in further recreation development within our major cities.

In closing, Mr. Speaker, I'd like to point out to the hon. members opposite that housing is still a great need in our cities, and accommodation. There is mention of housing programs, but there is nothing really spelled out about who they are really going to help in the housing field. This is the item that I believe - in the cities of Edmonton and Calgary in particular, recreation and housing are uppermost in the minds of most of the citizens.

MR. SPEAKER:

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

DR. PAPROSKI:

Thank you, Mr. Speaker.

Mr. Speaker, to speak on this amendment to this motion moved by the Socred opposition member is to respond to a babe in arms, a babe who cries and believes that he wants something, but cannot express this want. And as often as not, this babe will be satisfied with a cuddle, or a rocking, or even a slap.

AN HON. MEMBER:

Or a formula.

DR. PAPROSKI:

Any one of those may work, but unfortunately, Mr. Speaker, it appears that the cuddling and the rocking don't work, so he needs a few slaps.

MR. LUDWIG:

Question, talking about babes, is he a gynaecologist by any means?

MR. SPEAKER:

Order please.

DR. PAPROSKI:

Mr. Speaker, if I may go on.

In responding first to the hon. Member for Calgary Millican with respect to what he claimed we inherited when they lost their position on that victorious day on August 30, 1971, let me remind him that we did indeed inherit that northern railroad, known as the great white elephant, which is still losing millions. We inherited also, if I may remind him of it, Mr. Speaker, the highest municipal debt in Canada. Yes, the provincial government paid as they went, but the municipalities inherited the debt, and this was pushed on to them.

This government gave us a nursing home service - true - for senior citizens, but they did not participate in the cost sharing via the federal-provincial cost-sharing formula that could have been had then, at a loss of some \$35 million over the past ten years. And now, Mr. Speaker, may I suggest to the hon. members opposite that in fact, due to prompting on this side of the House from task force members and yours truly, we are entering now into a cost-sharing formula which will save Albertans some \$8 million per year. Extend this over the next ten years, Mr. Speaker, and this is \$80 million. I would also remind the hon. members opposite that in fact when this was paid out via tax to the federal government and was not shared back, the municipalities, through their taxation - provincial taxation - had to pay this again. So in fact that \$35 million over the past ten years was \$70 million.

We also inherited that sixteen and two-thirds royalty rate across the board. We won't go into that because we know what happened when we got into office and, in fact, that royalty rate increased before there was an Arab energy crisis.

The average income of citizens at that time, Mr. Speaker, was lower than the average Canadian income. The senior citizens were paying for the Alberta Health Care Insurance premiums. The handicapped were ignored to the tune of 50,000 children in this province who did not have places or spaces - and we know what happens to children who are handicapped if they are not treated earlier.

Mental health, Mr. Speaker, I don't even know what to say. It was in a deplorable state and in chaos. And even more important, circumventing all these items, Mr. Speaker, ...

MR. LUDWIG:

A point of order. I don't believe that the hon. member is debating the issue of inflation as it is in the amendment. I believe that the rules require that once an amendment is made, they must stick to the issue and not debate the Budget Debate, Mr. Speaker.

MR. SPEAKER:

Whether or not it be the fault of the Chair, the fact of the matter is that the debate has ranged far and wide on the amendment, and the hon. member is certainly dealing with a number of points which have been raised on the amendment by hon. members who have spoken previously.

DR. PAPROSKI:

Thank you, Mr. Speaker. They have a difficult time facing what they in fact gave to us to deal with.

One other case, Mr. Speaker, I'll conclude by saying this on this one item, in response to the hon. Member for Calgary Millican, that all of this was circumscribed by confusion and non-responsive, arrogant government. And look what happens to them.

AN HON. MEMBER:

Shame.

DR. PAPROSKI:

Now, Mr. Speaker, getting back to this babe in arms who may require a slap, a cuddle or rocking, I'll deal with those three items in short order. I'd like to go on to something a little more academic, something maybe the hon. members would appreciate, especially the members opposite. I'd like to explain some of the aspects of economics that have been typically rationalized over a number of years.

Number one, Mr. Speaker, recession is a term that is applied to what? Stable prices and a less thriving economy, and unemployment. Number two, inflation is a term that is applied to a thriving economy, and albeit less stable prices.

Today across the world, we have a combination of both occurring. We have industrial slow-down in other parts of the world - and I'm not speaking of Alberta because this is the opposite. We have industrial growth, fortunately. And we have inflation - yes, we have inflation in Alberta. The energy crisis has resulted, in many parts of the world. A transportation cost increase has resulted in the petrochemical industry increasing its costs for these products and, as a result, the cost of raw materials that's passed on right down the line to the consumer. This, Mr. Speaker, certainly has been very well exemplified in Great Britain where industry has suffered severely as never before. I understand in February roughly 60 per cent of its output has been decreased.

The question that must be answered, Mr. Speaker, is that this babe in arms, the opposition here, wants to do something. What do they want to do? We haven't heard it. They are speaking of inflation. They say, help something somehow. But how, nobody knows. So the question is, of course, what do we do in Alberta, in Canada, and for that matter, in light of the circumstances, the world.

Mr. Speaker, inflation is a financial symptom, it is not the cause. It is an index of real problems, real conditions in the world. There are many equations that point to inflation, and I will just go through these very briefly.

Inflation is the dilution of our purchasing power. Of course it is, we know that. It may reflect industrial inefficiency and it has done this outside of Alberta, outside of Canada. It is an indication, by and large, of industrial ill health, again outside of Alberta. I'm sorry to inject a medical term here, Mr. Speaker, but this industrial ill health is truly the problem that we are facing across the world, and it cannot be dealt in isolation by Alberta alone.

Concluding on this point, Mr. Speaker, the underlying phenomenon, or the cause of this financial phenomenon known as inflation, is wasted effort which is diluting our useful effort. The key word here is waste, waste, waste. But not in Alberta - around the world as a totality. And we, as part of this world, unfortunately or fortunately, have to face all the attacks surrounding this.

Now if we accept this fact, Mr. Speaker, and I challenge anyone in the Assembly to deny it, then action can and will, and, in fact, is being taken - at least in Alberta. But remember, our population in relationship to Canada, in relationship to the rest of the world, is very small.

So as we consider, Mr. Speaker, the national and international influences which are tremendous, surely the opposition, Mr. Speaker, does not suggest that we in Alberta isolate ourselves, isolate ourselves from the Canadian government, nationally or internationally, in a shrinking world. So as a result of this increased world need, due to what - overpopulation, waste production, abused production of non-essential goods, plus real production of essential goods, we have indeed a problem of inflation.

Mr. Speaker, Alberta's income rose more rapidly than the cost of living over the past one year and two years. This is countering inflation in simple mathematics.

Now specifically, Mr. Speaker, in relating to this amendment, I think it merits some response, and many of the responses have indeed been made on this side of the House. The Alberta government has done a number of very positive things. If I may just quickly enumerate them, Mr. Speaker, for the record, because to bring in such an amendment without reading accurately the present Budget Speech - the present budget and the previous two budgets - embarrasses me for the opposition.

One, we have increased agricultural production and we have reduced shortage, not only in Alberta but in the world. We have taken measures to offset the impact of the cost of living on the lower and fixed-income people where it hurts most. We are talking about, of course, the lower and fixed-[income] worker and non-worker, the senior citizen, the handicapped person. The wage earner on the lower scale has an increased earning capacity because of jobs and the minimum wage, indeed, has even increased over and above that which inflation has caused to erode. Consumer protection to deal with those who take advantage of the consumer has been brought about by this government and that department is known as the Department of Consumer Affairs.

Now if the hon. members expect miracles within one or two months, I suggest they better review their performance over the past 36 years. But, Mr. Speaker, the budget clearly indicates and our legislation clearly indicates consumer protection via the appropriate legislation, the natural gas rebate and so on and so on.

What is another anti-inflationary policy, Mr. Speaker? Diversification of our economy to satisfy the demands of not only Alberta but Canada, and this helps all of Canada. What does this do? It provides jobs. By providing jobs it creates more money for those lower and fixed-[income] earners and they satisfy those indices that are necessary for a standard of living.

More specifically, Mr. Speaker, in addition to last year's relief for the cost of Medicare and the education tax, we've increased health benefits. I've said we have increased the minimum wage already, and it's going higher. It's been mentioned that the \$10 increase on the guaranteed income supplement for 75,000 senior citizens has been received as a benefit. And we know the Alberta Property Tax Reduction Plan. We can go on and on, Mr. Speaker.

There is more, Mr. Speaker, and there is more to come, for these people in need certainly have been a focus of this side of the House. To hear such a motion as has been indicated here, Mr. Speaker, by the Social Credit opposition is truly to hear a baby crying who obviously needs, as I have mentioned before, a little slap, because rocking does not help. The best that Social Credit can propose is something called the Social Credit monetary theory, which is obviously outdated.

To hear the socialists - and unfortunately he is not in his seat - speak of this problem and say that nothing has really been done for the lower income group, I suggest he is just like the newborn baby crying and obviously doesn't understand, doesn't hear, doesn't want to. Surely, Mr. Speaker, the opposition members who read the budget and the public who will read this budget and the previous two budgets, they can see very clearly the indices of a standard of living that are recognized around the world dealing with food, clothing, shelter, health, education, social security, jobs, freedoms - even freedoms are included in that by the lower court reforms - and recreation. These are all the indices the World Health Organization uses, they have all been, in fact, satisfied or improved to a great degree, plus jobs, plus, Mr. Speaker, sound management.

Now if this babe in arms, the opposition, would like to say something worth while and I expect them - after all some of them are mature politicians, so to say, and maybe maturity in politics is a bad thing, I don't know because I hear nothing. But why don't they offer something to this side of the House, Mr. Speaker. Why don't they say, for example, it's great to see this action to date up to and including 1974 and we recommend this or that. No, they cry and they moan, Mr. Speaker. This is what we get from them.

Why don't they suggest this, for example, a logical alternative. One, I have stated that the world is in a crisis situation regarding overpopulation and abuse of production, of unnecessary materialism. There is environmental pollution. I've said this at least twice in the Legislature. Now we have an inflationary period right around the world. Why don't they offer something and say, let's cooperate with the rest of the world. Let's cooperate and try to beat this financial economic problem that obviously keeps recurring nationally, provincially and around the world.

MR. LUDWIG:

I offer you my sympathy.

DR. PAPROSKI:

Sympathy is not good enough because we are a realistic government. We don't stargaze, Mr. Speaker, as Social Credit stated in their convention. We act on realism and practicality.

Mr. Speaker, we have acted rationally and firmly and we will continue to act rationally and firmly for the priorities of the disadvantaged and those on lower and fixed incomes. I suggest, Mr. Speaker, we need, in fact, over the long haul, over the next 10 or 20 years, reorientation of our economic thinking to overcome that abused waste of production that occurs around the world. It hasn't occurred in Alberta. To overcome this world overpopulation problem that is eating up our resources faster than we can produce, and to replace, in part, some other financial thinking so that earnings do not depend only on employment but possibly on some other methodology.

In other words, to accept new ways to redistribute income, for employment alone, Mr. Speaker, I suggest will work very well in Alberta and Canada for the next maybe ten years, but at that time we will be in the same bind as many other countries.

Mr. Speaker, if I had a choice between unemployment and decreased amount of earnings and decreased amount of goods and those things that are a standard of living, or employment with increased salary in spite of inflation and rising costs, but increased salary to continue to buy the goods, Mr. Speaker, I would obviously choose the latter.

Finally, Mr. Speaker, the opposition should be offering such suggestions and directions and not crying. I think we should be working together and pulling together for the future of Alberta and Canada and set the pace, because we have so much here to do a darn good job and to set the pace for the rest of the world. We must not, Mr. Speaker, I suggest, live by bread alone when we have enough bread to go around. Let's redirect our thinking for a purpose, Mr. Speaker, other than this exuberant materialism that keeps on going and, in fact, causes world inflation. We should get our optimal necessities clearly delineated in Alberta. We can do this in short order. We can balance our lifestyle and then continue to help others.

Thank you.

MR. KOZIAK:

Mr. Speaker, I was hoping that the hon. Member for Calgary Millican would be in his place when I entered the debate on the amendment alone, because I thought he might have left the House somewhat mistaken as to the contents of the budget after hearing ...

MR. LUDWIG:

Paproski smoked him out.

MR. KOZIAK:

... after hearing his remarks. Particularly, Mr. Speaker, and I hope he will read this in Hansard, the hon. member should consider that in the budget no provision is made, in recording the income which will be received during the course of the next year, no provision is made for increased royalties and increased income as a result of any increase in the price of oil which can be obtained following the present discussions in Ottawa over this week.

What we, in fact, have is an increase in the revenue which is set out in the budget, not because of the Arabs as is suggested by the hon. member but because of the excellent work which was done by this government in reassessing the royalties that should be paid at the old rate.

AN HON. MEMBER:

Oh, come on.

MR. KOZIAK:

That is what this budget reflects, Mr. Speaker, and nothing else. The budget reflects in the increased income, Mr. Speaker, proper husbanding of our resources, the proper management as good trustees on behalf of the present and future people of the Province of Alberta, of the natural resources which this good province holds for us.

Mr. Speaker, the amendment concerns itself with inflation. I doubt there is a member in this House who is not concerned with inflation, or a member who is married whose wife hasn't brought the matter to his attention on return from the supermarket every week, or every second week, whenever the shopping is done. The prices are continuously going up. What can be done about something like this from the provincial government's point of view?

Well, the amendment is in effect a vote of non-confidence, Mr. Speaker, suggesting that the provincial government has done nothing.

I don't want to take the rest of the afternoon to enumerate all the points that bear out what in fact the provincial government has done to alleviate the effects of inflation, but I should at least highlight a number of these, Mr. Speaker. These have been mentioned by members on this side of the House, but they bear repetition.

The Alberta Property Tax Reduction Plan, Mr. Speaker, reduced taxes for all homeowners, for farmers who occupied the farms they worked on, for tenants, and the major portion of the benefit in the case of tenants went to those of lowest incomes.

Now I think it's generally accepted that inflation has many evils, but the opposite, depression, is a lot worse. We can take a look at inflation and say, well the result of inflation is that I'm getting less on my mortgage payments, if I'm a mortgagee. I've lent out money for someone to buy a house and I've lent it to him at 6 per cent, and inflation is 7 per cent. In fact I'm losing. Well that is a loss.

But compare that loss to the person who can't feed himself because he has no income. He has no employment. I think that depression when compared with inflation, is the worst of the two, so that's what we should be avoiding - depression and not inflation. Then what we have to do with inflation if at all possible, is to contain it, because it is in fact a robbing of property - a devaluation. Secondly we must alleviate the effects of inflation for those it hits the worst. That is the people at the lowest end of the income scale.

Well, Mr. Speaker, that's what indexing of the income tax does in fact. It removes that many more people from the income tax paying provisions at the lowest end of the scale because it increases the exemptions which they can claim. So in fact, more people fall into the position where their income is not taxable at all. Now, that to my mind, Mr. Speaker, is preferable to an across-the-board tax reduction which in fact, doesn't benefit at all those people who have no income, but benefits those who have the greatest income.

So from the point of view of inflation, fighting inflation, the suggestion and the only suggestion that I see coming from the other side - to reduce taxes by reducing points, is in fact what would feed the fires of inflation. I may be wrong here, but my economics learning tells me that during inflationary times proper economic theory would be to increase taxes to remove funds from the economy, perhaps the hon. Member for Edmonton Jasper Place could correct me if I'm wrong.

If we are in inflationary times, and we are, to decrease taxes particularly at the level where those funds are bound to find their way into unnecessary purchases is only feeding the fires of inflation. So, Mr. Speaker, I can only suggest if the hon. members are serious in their suggestion as to what should be done with funds, and are at the same time serious in the non-confidence motion, they haven't gotten together because the two thoughts are divergent. They don't converge.

Mr. Speaker, we've removed the Alberta Health Care premiums, first for senior citizens, and now for all people without taxable income. This benefits those who are most hit by inflationary times. Mr. Speaker, we are removing or reducing the gasoline tax payable under this budget.

One of the hon. members on this side suggested that there was an increase in the income of farmers in this province and somebody from the other side suggested that there is also an increase in expenses. Well this budget will at least attempt to contain those by passing on a similar reduction in gasoline costs to farmers.

Somebody has adequately described, at least to my mind, what causes inflation. We've been going around in circles, blaming inflation on this government and on that government and on international situations, but I kind of like this definition of the cause of inflation. Perhaps the hon. members might consider it and if it bears repetition, repeat it to the people in their constituencies. It is this. Inflation is caused by this - I want it all, I want it now. Basically, that is what causes inflation - I want it all, I want it now. I can't wait until next year for that car, or for that television set, so I go out and I borrow and borrow, and I buy and I borrow. This is what creates the demand which creates the increase in price which in turn creates the devaluation of the dollar. So if we are at all concerned about inflation, all of us in Alberta, then that's the concept that we should address our minds to. Perhaps considering this, I want it all, I want it now; maybe I will want a little less right now and I'll wait for some of it later. Maybe in that fashion we would all contribute to a reduction in inflation.

DR. PAPROSKI:

Mr. Speaker, a point of order, a clarification on that point, because it's important that constituents may indeed read this. The other factor that is very vital ...

MR. SPEAKER:

Order please. Order please.

Points of order must obviously involve the proceedings of the Assembly and not necessarily the contents of the member's speech.

DR. PAPROSKI:

In this respect, may I ask the member a question?

MR. KOZIAK:

Mr. Speaker, I'd be most pleased to answer any questions the hon. members might have after I'm through.

MR. LUDWIG:

In other words, be quiet.

MR. KOZIAK:

There's the suggestion, Mr. Speaker, that we are adding to the fires of inflation by suggesting that the price of oil should go up. That may well be. But should we here, a province of something less than 2 million people in a world economy of over 2 billion people, maybe 3, should we give away whatever we have if nobody else on this globe will do likewise, just to see if we in our small way can stop inflation? I think that would be ridiculous. People coming after us would laugh at us if we sold our oil for half what it was worth in a futile attempt to try to contain inflation. The same argument would apply to food. No one denies that our farmers are now much better off in terms of the income they receive from their produce than they were a couple of years back. Are we to ask our farmers to reduce those prices so that we can fight inflation in that fashion? Again, I think it's unrealistic.

Mr. Speaker, two or three years ago we experienced on a dominion scale a futile federal attempt to fight inflation. The method they used was to create unemployment. We soon found out and so did the federal government at that time, when they were soon turned out and replaced by a minority government, that the people of this country are not prepared to accept unemployment as a method of fighting inflation. I'm not either, Mr. Speaker, and neither are the constituents I represent. So, any methods which can be used to fight inflation which would result in unemployment, which would result in depression, would be ones I would be opposed to.

In quick summary, Mr. Speaker, the items I have mentioned which are contained in this budget are to my mind items which assist those people who are most hurt by inflation, and that, in fact, is proof positive that this government is concerned about inflation and is in fact, doing something about it. For this very reason, Mr. Speaker, I would vote against the amendment.

MR. LUDWIG:

He spoke in favour of it ...

DR. PAPROSKI:

Would the hon. member please answer whether he would agree that built-in obsolescence is a major factor in inflation?

MR. SPEAKER:

The question is of questionable propriety. It's inviting further argument rather than asking for clarification, but in spite of its doubtful nature perhaps the hon. member might be permitted to reply.

MR. KOZIAK:

I'd be most pleased to answer the question if I could understand it.

[Laughter]

DR. PAPROSKI:

I'll rephrase it. I'm sorry the hon. member has that difficulty.

Mr. Speaker, again, built-in obsolescence is the production of economic goods in our western world where they are used up and get out of date a lot sooner than they should.

MR. SPEAKER:

Possibly the hon. members for Edmonton Kingsway and Edmonton Strathcona might settle the issue privately.

MR. STROM:

Mr. Speaker, I am very pleased to have the opportunity to rise in my place and make a few remarks on the amendment before us.

First let me say that I am sorry I missed some of the debate this afternoon. It was impossible for me to be here because of another responsibility. I'm not sure that I would have gained any new truths as far as inflation is concerned, but it is possible that I have missed something.

I want to say that I have certainly enjoyed the remarks of the hon. Member for Edmonton Strathcona. It is refreshing to me, at least, to hear a government member stand up in his place and accept some responsibility for the inflation problem that is presently facing us.

One of the things that disturbed me a little bit, Mr. Speaker, was the fact that in the budget there was an attempt by the government, through the hon. Provincial Treasurer, to evade the responsibility, and I think that for this reason it has been very helpful that we have had an opportunity of having a great deal of exchange of views in regard to this very timely subject.

I am quite convinced, Mr. Speaker, that we are not going to settle the problem of inflation, just as the hon. Member for Edmonton Strathcona has suggested. I think that every citizen of Alberta - maybe every citizen of the world - is very conscious of this problem that has been with us for some time. I am of the view that we are seeing a great deal of money come into our province at this time because there are other countries which fear it even more than we fear it within the province of Alberta.

Nevertheless, I would like to point out a couple of statements made within the budget that I felt were sidestepping the issue. I refer to page 4 and the first one refers to the matter of stabilizing cost and price. It says this: "However, policies are required at the national and international levels to stabilize cost and price performance ...". And then at the bottom of the page it says this, in a direct statement on inflation: "... because the root causes of inflation clearly stem from world not local factors."

Mr. Speaker, I can recall standing in my place trying to make the same argument when the Leader of the Opposition, who is now the Premier of the province, was castigating our government for not doing anything about inflation quite a number of years ago. At that time, I rose in my place and suggested that it was circumstances that were really beyond the control of our government, and I sincerely believed it, Mr. Speaker. But I think that it is pretty important that we stop and give some very serious consideration to a number of factors that, in fact, are contributing to the problem of inflation that we have at the present time.

In that regard, I am sure many of us recall that we went through a phase of what we referred to as "inflation psychology". Let me give some examples. We had labour which, when it went to the bargaining table, always bargained with this thought in mind: if I don't get a little bit extra, I'm not going to be able to take care of an inflationary factor that I will have to meet.

Now, I'm not going to be unfair with labour and I simply want to say this. I am sure that when the retailer went to price his commodity he said to himself, I'm just going to raise it a little extra because I know I have to contend with inflation. Each one of us, when we thought in terms of something we wanted to purchase, said this: you know, I will buy it today because tomorrow it's going to be a little higher. And in the total picture - and this is just a very, very rudimentary example - but in the total concept, every one of us will have to accept our share of responsibility in the problem of inflation that we face today.

Primarily my reason for rising to my feet today was simply to say to the government: I recognize there are a number of things that you have done by way of providing assistance to senior citizens and a number of groups of society who are unable to cope with it in the way that the wage earner can or those who are able to adjust their salaries and their income by one way or another.

But a basic question that really bothers me, Mr. Speaker, is this. Are we in our province of Alberta prepared to accept the fact that we have to live with inflation? Are we in Canada saying to ourselves that in fact the problem is impossible to cope with, therefore we have to live with it?

I was rather taken aback, Mr. Speaker, when I asked a former minister of agriculture in the federal government who has travelled extensively around the world and has had extensive business association with various countries of the world, particularly South America, what about this problem of inflation? And you know what his answer was? He said, well you know, as far as I am concerned, we are going to have to learn to live with it. One of the things we are going to have to do is to attempt to equalize so that no one really suffers with inflation. I have thought a great deal about it, Mr. Speaker, and the question I have to ask myself is, does it really level off and do the increases form a pattern so that, in fact, it is possible for us to have that equalization we would like to see so that no one is really hurt in the problem?

I have come to the conclusion that I think it is well-nigh impossible to provide that kind of protection. You know, I think that governments would like to be able to say to the people they represent: we have now found the solution to it and this is the way we are going to take care of it, we're going to live with it. I don't think that can happen. So if that can't happen, then what is going to happen?

I think this is the basic problem that society is facing today. I have referred to it on a number of occasions as a feeling of insecurity. Maybe that isn't quite right because we have a greater security today than we have had at any time in the past as far I can recollect. But I think it is a sense of not knowing what the future holds - the unknown factor of where do we go from here?

I could take a very good example and say, Mr. Speaker, to the hon. members that I think it is a well-known fact that Harry Strom is not going to be around the next election. I don't consider myself a very old man, Mr. Speaker. Maybe in the eyes of quite a number of people I am, but in my eyes I don't think I am that old. So the question that faces me is, what will happen to my protection ten years down the road? Will a government take care of me? Do I have to make that kind of provision for myself? How is it going to be handled? And really at this point in time we do not have a clear answer.

We can say again that it's a federal government responsibility. I believe we are reaching the point in time when we say we need an international monetary system and then we'll get it under control. I'm not convinced that that will happen, but that is what some people are saying.

When we think about this matter of whose responsibility it is, I want to remind the hon. members that back about five or six years ago - and I could be wrong a year or two - but the federal government placed restrictions on the development of the City of Calgary, the City of Edmonton, the City of Vancouver, the City of Toronto - and for what reason? They said that these were the hot spots in Canada that were the root cause of inflation and we had to do something about it. They literally prevented development from taking place that would in turn pick up the problem of unemployment that was a natural outcome of it.

I recall so vividly a meeting that we had down in Ottawa when the top man of the Bank of Canada, Rasminsky, came in and gave a talk to the premiers. I shall never forget it, it was a most interesting discussion. In the course of his talk he suggested that they had to slow down development within certain areas. Premier Bennett, who has always been known as being quick on the trigger, sat with his back to him and listened very carefully. The question was asked, "Mr. Rasminsky, would you say then that you are curtailing loans within these certain areas?" He said, "No, I wouldn't say that I am curtailing them. What I would say is that we are not encouraging loans within those areas." Quick as a flash the former Premier turned on him and pointed his finger at him and said, "You will admit then that you are the cause of unemployment within the Province of British Columbia?" He did not have an answer. He could not have an answer. This is the dilemma that governments face.

We try to come to grips with the problem of inflation and we are faced with another problem that politicians find most difficult to live with. In fact we then have to determine which is the lesser evil for us to live with. It becomes a very difficult one. But all I say, Mr. Speaker, is I would hope that the government, that those members who sit on this side will recognize, as has been said, I'm sure, from both sides of the House, that we cannot ignore it, we cannot shun the responsibility and say it belongs to somebody else. We must assume responsibility as government, we must assume responsibility as individuals.

I liked the description that the hon. Member for Edmonton Strathcona gave of inflation and I wrote it down just so I wouldn't forget it, but now I can't find where I wrote it. That's the way it goes. Anyway, he'll correct me if I'm wrong. He said, we want to have what we want right now. Roughly I think that's the gist of what the hon. member said. Again I think in this particular area government will have to accept some responsibility for encouraging this approach. Everywhere we look there has been a support for extending credit beyond, I think, what it ought to be in some areas. This has been a matter of concern. I've risen in my place before and said this. I think that it too is a real

factor. I'm sure the hon. Minister of Agriculture would recognize that good as his loan policy is, it is now creating some problems in another area, that is in the price of land, coupled with, of course, other factors. I'm not going to suggest it's the only one, but it certainly becomes a very real factor.

What has really happened in the last 10 or 12 years? I have here in my hand a report by the Canada Trust Company which I found most interesting. It suggests first of all that the hon. minister, John Turner, has exposed the legal fiction that a dollar never changes in value. I'm sure this is a fact that everybody recognized, but in certain areas of accounting a dollar was recognized as being a dollar. Now what has it done to us? This is what it says:

The magnitude of error imposed upon the nation by adherence to the fiction that a dollar is always worth a dollar is revealed in government statistics. In 1961 Canada's national income in rounded numbers amounted to \$40 billion. For 1972 it was reported to have reached \$103 billion. Stripped of inflationary effects and stated in 1961 dollar values, national income for 1972 was only \$71 billion. Adherence to this generally accepted accounting principle which ignores changing dollar values produced an overstatement of national income of 45 per cent within that period.

That plainly indicates how rapidly and seriously a little bit ...

a little bit, mark you, Mr. Speaker ...

of annual inflation falsifies comparative figures. Individuals struggling to make income match necessary outlay feel the effects and the adjusted national accounts show those effects. Wages and salaries reported in terms of inflated dollars totalled \$56 billion in 1972. In terms of 1961 dollars, income for 1972 was overstated by \$18 billion. In 1961 wage and salary income represented 51 per cent of national income. In 1971, 55 per cent, a modest increase.

Now, Mr. Speaker, I would simply close by saying this. I'm not going to stand in my place and point to any one level of government and say that it is solely responsible for the problem that we face today. But I am going to say this, if the government wants to take credit for every dollar increase that is recorded by inflation and through other means, it had better accept the responsibility as well. This is primarily what I would like to see happen.

I would like to say too, I will accept my share and I think we must work together to try to cope with this very, very serious problem.

Thank you.

MR. BENOIT:

Mr. Speaker, in rising to address myself to this amendment to the motion, I do so partly out of a challenge by hon. members on the other side to present some alternatives and partly to present some ideas which are not altogether my own as such, but to share them with all members on both sides of the House. If I could, I would like to share them with other Legislatures and with Parliament.

I feel, after years of experience with politics both inside and outside the House, that if the alternatives to inflation were presented very clearly and proof positive was presented with them these alternatives would stop inflation.

But there are not enough members in the Legislature who have the honesty, courage and the intestinal fortitude to implement these alternatives in order to stop inflation. This makes me kind of sad, Mr. Speaker, because this is the position we are in. We are going to be very democratic and do what the majority of the people want to do as long as it is politically expedient to do it rather than to do what we feel needs to be done as a matter of principle in order to stop inflation.

I suggest this because governments are now spending nearly 40 per cent of the gross national product in Canada. That is all governments at all levels. For that reason the responsibility for any anti-inflationary measures rests squarely upon the shoulders of people in government. They are the biggest spenders in the nation and by their example and the spin-off effects of what they do, the whole nation is going to be guided. There are enough people in politics in the land of Canada, particularly if you think in terms of the administrative arm of politics as well, that they constitute, if not a majority, almost a majority counting them, their families and all concerned. So besides getting a large portion of this themselves, they also constitute a large portion of the voters. Therefore, they have a very large responsibility to see to it that inflation is controlled or guided, or at least slowed down in some way. We have the responsibility as members of government to do something about it.

Now when it comes to whether it's Alberta's or Canada's responsibility, I think it has been said by several hon. members up to this point that certainly Alberta has a responsibility of its own, if nothing else than to set an example, and if nothing else than to plead with those at the federal level to do something about this matter of inflation.

I feel that in the position in which we are, both Alberta and the OPEC countries of the world have a very great additional responsibility to see to it that everything possible is done to curb inflation. I say this because we are in a favoured position in that we have more income, more revenue that is not necessarily tax from the people, with which we can set the example and a pattern for the people.

Therefore I believe that we have more responsibility than other provinces because of this tremendous God-given wealth that we have. And I use that phrase, Mr. Speaker, because no matter how much any government in office may want to claim credit for some of these natural resources that lie hidden in the ground, we didn't put them there. It is true that how a government conducts itself may help to discover and exploit these resources, but they are an additional gift that some other portions of the country and some countries of the world do not have. Whether it's their fault that they haven't discovered them or not is beside the point. The fact remains that it is here. We have discovered them and exploited them and they are a great benefit to us, and therefore we have a responsibility.

By spending lavishly and carelessly or unwisely we can widen the gap between the 'have' and the 'have-not' provinces. We can widen the gap between the rich and the poor in our own province or in other countries of the world. And certainly by spending lavishly we do increase the inflationary factors in the economy, not only of Alberta but of all the country, and may I say even all the world, because no matter how small we may think our influence as a province is, it has a far-reaching effect both from the example and from the spin-off effects.

Mr. Speaker, in suggesting four or five alternatives, I do not take credit for these; these are things that I have picked up along the way. I suggested before, and I suggest again, that if we had the courage to implement some of the things that we know, through good monetary practice, would be anti-inflationary, we will not do them because of political expediency.

One of the hon. members, in a very honest and sincere message brought to us this afternoon, suggested this, that for instance, our country, our people, are not ready to go the route of unemployment in order to counteract inflation. I know exactly what he means and I think he is right. I don't think that this would be one way of approaching it. But the fact is that what the people are not ready for we will not implement, even though we know it is necessary, or else a worse catastrophe will come upon us than inflation.

Any credit buying, whether by governments, corporations or individuals, is inflationary, and that was brought out very clearly by the hon. Member for Edmonton Strathcona.

Now what the governments have to do, if they are going to set the example, is to begin housecleaning. One of the things would be to balance the budgets by either reducing our spending or increasing taxation, or both.

Fortunately in Alberta we are in one of those positions where we don't have to increase taxation, because we do have a source of income that many provinces do not have. Therefore we can balance our budget without too much problem. So we are one step ahead, and that is the reason to my way of thinking that we have to set the example, and we are the ones who should probably be setting the pace for the rest of Canada in anti-inflationary measures.

I believe that another way we could stop inflation is to cease subsidizing people, particularly in the higher income brackets and in the bigger business areas. Increasing higher incomes encourages unnecessary inflation because the more subsidies we have, the more money we have to buy up goods that are becoming scarcer and scarcer, and this only aggravates the situation.

Here is another solution, or a possible solution to the problem that people would abhor - I should say legislators would abhor - because of the effects with regard to the ensuing election. If we could abolish the strike in the labour legislation and replace it with some kind of economic court that would be charged with adjusting the rates of rise of incomes to increased productivity, that would result in improved technology and mechanization, and it would go a long way toward anti-inflationary measures.

One thing we are really faced with right now in this energy crisis is the fact that governments are constantly meddling in free markets, and I think that any one of us knows that whenever the government begins to meddle in the free market, something gets balled up. We have some pretty classic examples close to us now with regard, for instance, just

to the cattle situation, the meat market, in the last few days. The problem is that too often, when governments begin to meddle with the free market they put certain controls on one end or the other. They cannot seem to understand that there has to be a balance of control, and the result is that the whole economy becomes upset.

The time is coming when we're going to have to make a choice between the principle of free enterprise or private enterprise and socialism, or maybe we're going to be making a choice not between one or the other but have a hybrid, a cross between the two, that nobody will know where they are going. And this is partly the problem right now, Mr. Speaker. It is not helping the inflationary problem at all, where governments enter into the picture only far enough to upset the balance of the free market. What we need to do is diminish the government meddling in the free markets in order to hold up inflation.

Another method would be to replace all kinds of social assistance with some kind of guaranteed income supplement, and, Mr. Speaker, I emphasise the word supplement - not a guaranteed income but a guaranteed income supplement - that would make provision to help those who are in the lower income bracket; a type of taxation that would make certain that in the end those who had plenty would not be using this for inflationary purposes, but those who had less would have enough so that they could live - I was going to say comfortably - not necessarily comfortably but at least exist in comfort.

Mr. Speaker, when we try to deliver subsidies to a certain class of people in a certain income bracket or under certain conditions and don't do it for others, we find ourselves getting into all kinds of problems, not the least of which is the social effect, the psychological effect, that it has upon people who receive what is very often referred to as the dole or welfare. One way to bring down or stop inflation would be to give it straight across the board and let each man spend it as he saw best in his wisdom.

Mr. Speaker, another thing that probably needs to be done, and this is on a philosophical basis, is to restore the work ethic in our society. And that's not going to be easy, especially in our affluent society where wages are so high amongst some classes of people. But until we have restored the work ethic and people come to realize that they get value only for the effort and dedication that they put into their task, we will not find that inflation will be slowed down. Among all other things, as has been mentioned by several, this philosophy of the necessity for self-control on the part of all individuals has to be inculcated into our society, and that has to be done partly by governments, because they are the leaders and the examples in these areas.

So, Mr. Speaker, if it's alternatives we want, they are not too hard to find if we are really looking for them. The question is not whether there are alternatives to the road we are going - increasing inflation. The question is whether we will have the courage and the honesty and the intestinal fortitude to implement those alternatives at any cost so far as we, as legislators, are personally concerned. Because the day that we are prepared to implement some of these alternatives, we will begin to see a check in the rising rate of inflation. As long as we are tied to our present monetary system, we will be plagued with the booms, the depressions, the wars and the inflations that have plagued us for so long. And inflation and depression are bound to come, each in its own turn.

So I conclude, Mr. Speaker, that I favour the idea of this amendment, not so much from a critical standpoint, because I recognize the weakness in all of us on both sides of the House in all legislatures and parliaments, [but] the failure to implement those measures which would stop inflation. If we put them in a budget, then we have to implement them, and we're not prepared to do that under the circumstances. Be that as it may, I feel that the Government of Alberta has a responsibility, more than other governments because of its favoured position, for doing whatever is possible to check inflation in the province, because that's the only area over which we have inflation.

Hopefully, our example and the spin-off effects of our implementing such practices will have an influence upon the rest of Canada, and hopefully upon the rest of the world. It has to start somewhere, Mr. Speaker, and I can't think of any other place where people are better off, better prepared and better able to begin than those of us in this House in this province today.

MR. KOZIAK:

Will the hon. member permit a question?

MR. BENOIT:

Yes.

MR. KOZIAK:

Is he using his rodeo tickets?

MR. BENOIT:

The answer, Mr. Speaker, is yes.

[Laughter]

MR. DRAIN:

Well, Mr. Speaker, addressing myself to this very interesting amendment, and having listened to the most informative debate we have had from both sides of the Legislature, while we seek to remove the dark cloud of inflation from the fair face of the Province of Alberta, the situation, Mr. Speaker, reminds me very much of a time when I was a little boy. I was about six years old and there was a calf in the barn. The water had frozen up and my father said, well, we've got to take the calf down to the river to get a drink of water. I said, "I'll do that for you, daddy." He said, "Oh, no, no. You'd better not do that because he'd get away from you." And I said, "No he won't. I'll show you why he won't." So I wrapped the rope around my arms and I started through the door following the calf. The calf threw his tail in the air and away he went. I skidded down to the river and he said, "Mmmmmph", and he thought about his mother and I skidded back.

This, Mr. Speaker, to a great degree, is the situation that we find ourselves in in the province of Alberta. We are being skidded along without the controls we should have in order to properly guard against what we can foresee is going to occur.

We are aware very much that there can be anticipated one of the greatest booms in North America brought about by a cycle of events which you are all very well aware of. In order to do anything in physical development, you have to have the raw material components to do it, and one of these most important components, of course, is people, people and materials. And we find that there is a great dearth of both of these particular things at this time and the availability of them in the province of Alberta. Even the budget gives account of that, with the allocation for manpower training for the McMurray area. I suggest, Mr. Speaker, that we are enveloping ourselves into a boom that is going to result in an outrageous rate of inflation which will be practically impossible for people to live with.

So then, what are the alternatives? I would suggest that we assess and plan the ratio of production to fit in to some degree with the resources we have available. There can be no way that you can possibly increase any more than the resources you have to build with. Quite obviously, if you are going to build a bridge across a river, you must ensure that you've got the reinforcing steel, the pile-drivers, the cement and all the materials that are required to do this. And I question, therefore, whether this has been taken into account in the contemplation of what is occurring in the province of Alberta at this particular time.

To suggest that we have or any government has full responsibility for the inflation cycle would be ridiculous, of course, but we do know, Mr. Speaker, that government spending in all its areas is a very, very important thing, which has been touched on by the members who have spoken. We also know that it's a very unfortunate situation when a cycle of deflation is attempted, because it does hit very hard at those people who can least afford it. We also know that there are limits in the physical expansion of our economy, as I have just outlined.

Therefore, with a planned program, we could accept deflation but we would have to, on one side, supplement our social services to make up for it and to develop a compensating factor. For instance, you could look at a simple subject such as unemployment insurance. In times of boom, as we have experienced, you raise the unemployment insurance. This is wrong, Mr. Speaker, because in time of boom when there is a demand for people and jobs to find, the rate of unemployment insurance payments should be reduced, and as the slump develops this should be used as a vehicle to inject more funds into the economy to take up the slack.

There are a thousand phases that can be expanded, our parks program, development of programs for people - all of these things should be used as a buffer. Quite obviously there are limits to the total of expansion that you can have in any particular economy. I believe at this point we have pretty well reached this. So therefore we are faced with a plateau where we have no other way to go except down, because we are limiting the physical capacity and we are trying to reach out, each and every one of us, and grab one more additional pound of gravy from the gravy bowl wherein there is not that much gravy because it has all been allocated already. Therefore, at some point in your economy you must reach a point where you have to stabilize and fit in with what you have available.

I suggest that this is the time that has to be looked at. This is the time leadership from government is required and where it can be expected that we will be forced to look in this particular direction. It has been suggested that this course would be politically unacceptable. I question that very much, because more and more people are becoming aware of the direction we are going. I think that more and more the politics of this country

and the politicians must, as well as respond, give leadership to the problems that we do have.

Therefore, Mr. Speaker, I do not take the position that the government can hold itself, the government of this Province of Alberta, can hold itself free of any responsibility in the matter of inflation, because the role the government has, in effect, is to offer leadership. They have not responded, Mr. Speaker, by laying out the direction or laying out a master plan that will indicate to the people of Alberta the limitations of where we are going.

For this reason, I do support the amendment, and I do urge all the hon. members to also support it.

MR. HINMAN:

Mr. Speaker, I need about ten minutes to develop a little of this theme, and would prefer to do it all at once, if the members would consent to adjourning the debate at this time, but I don't object ...

MR. SPEAKER:

Does the hon. Member for Cardston have leave to adjourn the debate?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

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

MR. SPEAKER:

Assuming agreement of the House to the suggestion by the hon. Government House Leader, the House stands adjourned until tomorrow afternoon at 2:30 o'clock.

[The House rose at 5:25 o'clock.]