

LEGISLATIVE ASSEMBLY OF ALBERTA

Friday, March 29, 1974

[The House met at 10:00 o'clock.]

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF BILLS

Bill No. 20 The Interprovincial Lottery Act

MR. SCHMID:

Mr. Speaker, I would like to introduce a bill being, The Interprovincial Lottery Act. This act will eventually allow the Calgary Exhibition and Stampede, the Edmonton Exhibition Association and the British Commonwealth Games Foundation to conduct a lottery in liaison with the western Canadian lottery system in Alberta.

[Leave being granted, Bill No. 20 was introduced and read a first time.]

Bill No. 211 The Senior Citizens Affairs Act

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill being, Bill No. 211, The Senior Citizens Affairs Act. The main purpose of this bill is to provide for development of policies and matters pertaining to senior citizens; to set up a system for coordinating existing government programs and procedures pertaining to senior citizens; to provide for a senior citizens' advocate and to provide for senior citizen participation in affairs affecting their peers.

[Leave being granted, Bill No. 211 was introduced and read a first time.]

INTRODUCTION OF VISITORS

DR. BUCK:

Mr. Speaker, I beg leave to introduce to you and through you to the members of this Assembly some Grade 5 and 6 students from my constituency - I believe some of them may overlap those of hon. Member for Edmonton Ottewell, Mr. Ashton's constituency - Grade 5 and 6 students who are here to observe the Legislature today. They are accompanied by their teacher, Mrs. Kubryk, and they are seated in the public gallery. I would ask them to rise and be received by the members of the House.

MR. YOUNG:

Mr. Speaker, I beg leave to introduce to you and through you to the members of the House some 25 students from Dovercourt School who are with us this morning in the members gallery with their teacher, Mrs. McMillan, and several parents. I would ask that they rise and be recognized by the House.

MISS HUNLEY:

Mr. Speaker, on behalf of my colleague the Hon. Dr. Allan Warrack, MLA for Three Hills, I wish to introduce to you and through you to the members of the Assembly students from Acme High School. Dr. Warrack knew that I would be especially interested in introducing his students because Acme happens to be the town where I was born - an unmentionable number of years ago.

They are with us in the members gallery with their leader, Mr. Christenson, and I would like them to now rise and be recognized by the Assembly.

MR. MINIELY:

It is my pleasure this morning to introduce ten students from McKay Avenue Junior High School in my constituency of Edmonton Centre. Mr. Speaker, this morning they are accompanied by their teacher, Mrs. L. Cherniawski. They are seated in the members gallery and I would ask them to rise and be recognized by the Assembly.

MINISTERIAL STATEMENT

Department of the Environment

MR. YURKO:

Mr. Speaker, I would like to make an announcement in regard to the transfer of irrigation projects from the federal government to the Province of Alberta.

The two governments jointly today announced the transfer to provincial jurisdiction, effective April 1, 1974, of the Bow River Project and the St. Mary Irrigation Headworks, both presently owned by Canada.

The original cost of these works was \$52.5 million. The assets today being transferred, in terms of today's dollars, are approximately \$105 million.

This transfer is part of a program started a year ago calling for a federal commitment of \$28.2 million toward an irrigation and rehabilitation program in southern Alberta.

The program anticipates that up to \$20 million will be spent on the renovation of major and secondary irrigation works and makes provision for a \$6.2 million cash grant to Alberta as compensation for accepting responsibility for the administration, operation and rehabilitation of the Bow River Project and St. Mary Irrigation Headworks.

The Prairie Farm Rehabilitation Administration is responsible for the reconstruction of the Bassano Dam, the Carseland Weir, the Brooks Aqueduct and the Bow River Headworks in the Western Irrigation District. The work will be carried out over the next four years, with reconstruction now completed on the Carseland Weir.

Up to \$3.5 million will be available for the rehabilitation of secondary irrigation structures. Details of this program, which will supplement the rehabilitation program already being undertaken by the province, remain to be completed.

The cash grant of \$6.2 million includes \$2 million for the renovation of structures on the Bow River Project and St. Mary Irrigation Headworks.

The Bow River Project was purchased by Canada in 1950 from the Canada Land and Irrigation Company. It serves approximately 400 farmers, 100 of whom were settled on irrigated farms developed by PFRA in the Hays area.

The St. Mary Irrigation Headworks consists of major storage and supply works which include the St. Mary Dam, Belly River Diversion, the Waterton Dam and the Ridge Reservoir. The construction of this complex, which provides water for the irrigation of more than 300,000 acres, was started by PFRA in 1946 with the building of the St. Mary Dam. Subsequently, the Belly River Diversion was completed in 1957 and the Waterton Dam in 1964.

ORAL QUESTION PERIOD

Gasoline Prices

MR. CLARK:

Mr. Speaker, I'd like to direct the first question to the Premier. In light of the agreement announced in the Assembly yesterday by the Premier and giving regard for the proposed 5 cent reduction in the provincial tax on gasoline, what is the anticipated increase to Alberta consumers of gasoline at the pump?

MR. LOUGHEED:

Mr. Speaker, I don't think we could provide the hon. members with the response to that at this time. It is something on which I intend to have continuing discussions, as will the various ministers responsible, perhaps during the course of next week. Maybe towards the end of next week we might be in a position to respond in some more elaborate manner.

MR. CLARK:

A supplementary question to the Premier. Will the government in the course of these considerations be prepared to give serious consideration to an increase of the proposed 5 cent reduction in gasoline tax so that, in fact, there will be no increase to Alberta consumers? I'm thinking primarily of non-agricultural Alberta consumers because of the special provision in the budget for the agricultural community.

MR. LOUGHEED:

Well, Mr. Speaker, certainly nothing would be ruled out until we have some idea as to what the amount of the increase is. Members would have to be aware though that if, at the moment, we have the lowest gasoline tax in Canada by a very significant amount, we will have the lowest gasoline prices, probably in the world, certainly in North America. We have to give some consideration in doing that as to whether or not we are promoting the wasteful use of energy. There surely is some responsibility upon us as a province to recognize that we have to see that people in our province, too, have a responsibility to ensure that there is not a wastage of energy, and I think all members would recognize that.

Education Tax Reduction

MR. CLARK:

Mr. Speaker, my second question is to the Minister of Municipal Affairs. I'd like to ask the Minister of Municipal Affairs, in light of the announcement he made last evening in the Assembly concerning the removal of the education foundation portion of the education tax on high-rise apartments, what provision does the government intend to use to guarantee that the benefits of that tax reduction will be passed on to the renters themselves?

MR. RUSSELL:

Mr. Speaker, for clarification, the extension of the program not only applies to highrises but to anything above a fourplex level up to and including highrises. Of course, we'd like to see that tenants and landlords, by the time the June tax notices come out, are both well aware of their responsibilities and rights under the provisions of the reduction. We have a number of programs under consideration which will be presented to the Legislature later and this may include legislation.

MR. SPEAKER:

A supplementary by the hon. Member for Spirit River-Fairview who I believe was on his feet first, followed by the hon. Member for Calgary Buffalo and then the hon. Member for Calgary McCall.

MR. NOTLEY:

I have a supplementary to the first question asked by the hon. Leader of the Opposition. If you want to continue with supplementaries on this particular question, or come back to it.

MR. SPEAKER:

Possibly we should dispose of the first question first, if the hon. member wishes to proceed with his supplementary.

Gasoline Prices (Cont.)

MR. NOTLEY:

Mr. Speaker, I'd like to address a supplementary question to either the hon. Premier or the hon. Minister of Consumer Affairs.

In light of Mr. Macdonald's request yesterday that the wholesale price be deferred or any increase at the gas pump be deferred until May 15, my question is, have there been any discussions or does the government plan any discussions with refiners to delay any price increase until present stocks are used up?

MR. LOUGHEED:

Mr. Speaker, the answer to that is yes. We've had discussions. We had them last Friday. They were not in any way conclusive and they will be ongoing. If I have anything more that I can report to the House, in due course I will do so.

DR. BUCK:

Supplementary, Mr. Speaker, to the Provincial Treasurer on the ...

MR. SPEAKER:

I've already recognized the hon. Member for Calgary Buffalo followed by the hon. Member for Calgary McCall.

DR. BUCK:

It's in the other one.

Education Tax Reduction (Cont.)

MR. GHITTER:

Thank you, Mr. Speaker. My question is supplementary to the hon. Minister of Municipal Affairs. I'm wondering if it is the intention of the government to continue the Renters' Rebate Program that is now in force?

MR. RUSSELL:

Well, Mr. Speaker, because of the timing situation with respect to the renters' rebate plan and the way it's locked into the income tax form, we have several months to allow the Legislature and the government to consider the best way of either expanding, continuing or whatever, that particular program. The hon. Provincial Treasurer, I'm sure, later in this calendar year will be reporting to the House on that matter. But for the time being, that legislation remains on the books.

Gasoline Prices (Cont.)

DR. BUCK:

Supplementary on the first question, Mr. Speaker, to the hon. Provincial Treasurer or the Premier. With the gas reduction taking effect in Alberta, will this apply to planes, trains and trucks which are going through the province?

MR. MINIELY:

Mr. Speaker, the interprovincial agreement on the flow of trucks through the province is based on consumption within a province as opposed to the actual purchase within a province. This was to avoid complications in interprovincial trucking across Canada. It does apply to trucks moving through the province.

It was our view that one of the things we are trying to do as well, of course - as my honourable colleague, the Minister of Industry and Commerce, has indicated - is

transportation costs and of course costs of products. When we added the two factors together that I have mentioned, we felt it was desirable to have it applied to transportation costs in the province of Alberta as well.

Education Tax Reduction (Cont.)

MR. HO LEM:

Supplementary to the second question, Mr. Speaker, addressed to the hon. Minister of Municipal Affairs. Regarding your announcement last night, Mr. Minister, will it affect the owners of private nursing homes, and will some benefits be accrued to and passed on to the residents of nursing homes?

MR. RUSSELL:

Well, there are two answers to that, Mr. Speaker. Of course the tax is only taken off those properties on which it is levied. And it is not levied against nursing homes, so it can't be removed. Secondly, Mr. Speaker ...

MR. HO LEM:

Mr. Speaker, I'm referring to the privately-owned nursing homes, not government-owned nursing homes.

MR. RUSSELL:

Well I'm referring to the education foundation tax, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Drumheller followed by the hon. Member for Hanna-Oyen.

Oil Pricing - Quebec Reaction

MR. TAYLOR:

Thank you, Mr. Speaker. My question is the hon. Premier. Was there any commitment from the premiers of the eastern provinces, particularly the hon. Premier of Quebec, to continue to buy Alberta crude even if imported price drops below \$6.50?

MR. LOUGHEED:

Mr. Speaker, the answer to that is that I have those assurances from the Prime Minister, not from the Government of the Province of Quebec. But we have been having official discussions during the course of the last week with the Government of the Province of Quebec and their interest has certainly heightened, both in terms of being involved with the Alberta oil sands and generally in terms of the Alberta energy picture.

We just simply think it is a good thing for Canada in terms of unity to have Quebec involved to the extent we can work it out with Alberta in energy matters.

MR. SPEAKER:

The hon. Member for Hanna-Oyen followed by the hon. Member for Vermilion-Viking.

New Royalty - GCQS and Syncrude

MR. FRENCH:

Mr. Speaker, my question is to the hon. Minister of Mines and Minerals. Will the increase in royalties apply to the production of oil from Great Canadian Oil Sands?

MR. DICKIE:

Mr. Speaker, I think I answered that yesterday by saying that the Great Canadian Oil Sands is under a special schedule, a special rate. That hasn't been changed and will not be affected by the royalty announcements that we made yesterday.

MR. FRENCH:

Supplementary question, Mr. Speaker, will the increase in royalties apply to the production from Syncrude and all other new plants that may be established in the Alberta tar sands?

MR. DICKIE:

Well again, Mr. Speaker Syncrude is under a special deal. We have a net-profits arrangement set forth in the agreement, and the royalty schedule that was announced yesterday will not apply to Syncrude or future projects.

MR. SPEAKER:

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

Snow Removal

MR. COOPER:

Mr. Speaker, my question is directed to the Minister of Municipal Affairs. Counties in east-central Alberta are spending as much as \$100,000 per month for the snow-ploughing of roads. Has your department considered special grants to help meet these exceptional expenditures?

MR. RUSSELL:

No, the Department of Municipal Affairs hasn't, Mr. Speaker.

MR. SPEAKER:

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

Wood's Christian Home - Funding

MR. LEE:

Mr. Speaker, I have a question for the Minister of Health and Social Development. I wonder if his department has arrived at any decision yet regarding future financial support for the Wood's Christian Home in Calgary at the termination of the present agreement with the home?

MR. CRAWFORD:

Mr. Speaker, there have been discussions which I consider to have been very successful and very well received by officials of the department, as well as by the board of the Wood's Christian Home, and there is every expectation that the contract, perhaps in a slightly different form, will be renewed after its expiry in September.

MR. LEE:

A supplementary question. Due to the shortage of care and treatment facilities for severely disturbed adolescents in the Calgary area, has your department given consideration to an expansion of services and facilities in this area, either with the Wood's Christian Home or independently by the department?

MR. CRAWFORD:

Mr. Speaker, this is part of the overall view of such treatment facilities available to that region of Alberta. Part of the examination of that overall issue has been the discussion of the new form of the Wood's Christian Home contract.

Baker Memorial Sanatorium - Funding

MR. WILSON:

A supplementary, Mr. Speaker, to the hon. minister. Is the increased portion of the budget for the Baker Memorial site in Calgary part of the answer to that same question?

MR. CRAWFORD:

Mr. Speaker, I would rather, if I could, deal with details of appropriations in the Estimates when that comes up. My memory offhand is that the Baker sanitorium appropriation relates to mentally handicapped people.

MR. SPEAKER:

The hon. Member for Taber-Waner followed by the hon. Member for Wainwright.

Medicare - Professional Fees

MR. D. MILLER:

Thank you, Mr. Speaker. My question is to the minister responsible for the Alberta Health Care Insurance Commission. Would the minister indicate if an investigation is planned of the 14 medical doctors who earned \$200,000 plus from the Alberta Health Care Insurance Commission last year?

MISS HUNLEY:

Mr. Speaker, a policy we follow in the Alberta Health Care Insurance Commission is that we have a profile review committee. This consists of members of the medical profession as well as the insurance commission. They review any unusual activity in the profiles of the practitioner's payments. If they feel it is necessary to carry the investigation further they do so.

MR. D. MILLER:

A supplementary question, Mr. Speaker, to the minister. Has the federal government indicated any specific controls placed on this program in view of its cost-sharing contribution?

MISS HUNLEY:

No, Mr. Speaker, I don't think the federal government monitors our particular activities. We have the Act and the regulations on which our Act is structured. We carry that out. To my knowledge that's the only involvement we have with the federal government.

DR. BOUVIER:

A supplementary, Mr. Speaker. Does the Alberta Health Care Insurance Commission have any mechanism for monitoring the profile of chiropractors and podiatrists as they have for physicians?

MISS HUNLEY:

Yes, Mr. Speaker, we do.

MR. SPEAKER:

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

Alberta Crude Price - World Crude Price

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Mines and Minerals. Has any assessment been made as to the amount of money involved in the difference between the recently announced price of Alberta crude of \$6.50 and the world price for crude?

MR. DICKIE:

Mr. Speaker, we are continually watching the events that are taking place in the international markets, and we'll continue to assess them as events change. I think the Premier covered those items when he mentioned how we arrived at \$6.50.

MR. RUSTE:

A supplementary question to the minister, then. The difference really between the \$6.50 price and the world price is the difference [to which] we are subsidizing the rest of Canada?

MR. DICKIE:

Mr. Speaker, the hon. member can draw his own conclusions. We have endeavoured to determine what the price is in Montreal. That is very difficult in itself. I think the figure that has been generally accepted as an average is some \$10.50.

MR. SPEAKER:

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

RCMP - Journalists

MR. DIXON:

Mr. Speaker, I would like to direct my question today - and it could be that three hon. ministers or the Premier could answer it. It's to the Attorney General, the Solicitor General or the Premier. In view of the announcement yesterday, Mr. Speaker, in the House of Commons that the Solicitor General, Mr. Allmand, was going to investigate the case of the Alberta newspaper reporters who were investigated in 1962 by the RCMP, my question to the government is: will the government be drawing to the attention of the Solicitor General that Alberta has a bill of rights, an Individual Rights Protection Act that guarantees the freedom of press in Alberta?

SOME HON. MEMBERS:

Order, order.

MR. SPEAKER:

The hon. member is making a representation and a recommendation which might be made otherwise than in the question period.

MR. DIXON:

Well, on a point of order, Mr. Speaker, I think it's a valid question to ask if they are going to bring [to the] attention of the federal government that we have a bill of rights protecting people in Alberta, in particular the press.

SOME HON. MEMBERS:

Order, order.

MR. SPEAKER:

In the point of order, there would be grave doubt in the mind of the Chair whether the topic of reminding any other government of the statutes of Alberta would be a relevant matter for a question in the question period.

MR. DIXON:

A final supplemental question, Mr. Speaker, on the same question. What action does the government plan to assure that our legislation is upheld? That's my question, whether it's to the federal government or anyone outside of our borders.

AN HON. MEMBER:

It does.

MR. DIXON:

It doesn't

MR. SPEAKER:

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

MR. NOTLEY:

Mr. Speaker, I'd like to pose a supplementary question first and ask either the hon. Attorney General or the hon. Solicitor General whether any discussions have taken place with federal officials subsequent to the press report of this investigation?

MISS HUNLEY:

Yes, Mr. Speaker. I was on the telephone to the hon. Solicitor General for Canada at an early hour yesterday morning to draw the matter to his attention. He assured me he would make some inquiries and would advise me further. I've had no further communication since that time.

MR. SPEAKER:

The hon. Member for Bow Valley followed by the hon. Member for Calgary Bow.

Beef Subsidy

MR. MANDEVILLE:

Thank you, Mr. Speaker. My question is to the hon. Deputy Premier. Could the hon. Premier tell us of any progress that the cattle industry has made towards the 7 cent subsidy on beef as a result of the meeting they had yesterday in Ottawa?

DR. HORNER:

Mr. Speaker, my information this morning is that there will be an announcement in Ottawa particularly in regard to the extension of the time limits that were placed on A3 and A4 grades of beef, and that there will be a further announcement next week with regard to the proposition of cattle that have been fed DES coming in from the United States. It has been our submission to the federal government that, in fact, all slaughter cattle should be covered under the program.

MR. MANDEVILLE:

A supplementary question, Mr. Speaker. Would the Deputy Premier be prepared to put a ban on DES beef coming into the province of Alberta, if necessary?

DR. HORNER:

Mr. Speaker, that's already been done. I've notified the wholesale and packing trade in Alberta that we would confiscate any meat that contained DES, whether it be in the processed or fresh form.

DR. BOUVIER:

A supplementary question to the Minister of Agriculture. Does the Department of Agriculture have any up-to-date information on how much of that 7 cent subsidy is actually being received by the producers at this time?

DR. HORNER:

That's very difficult to ascertain at the moment because the federal mechanism for paying their subsidy is to pay it through the processor. As the hon. member might be aware, I offered to the federal government to do the mechanics of the subsidy here in Alberta but that was turned down.

MR. SPEAKER:

The hon. Member for Calgary Bow followed by the hon. Member for Calgary Buffalo.

Government Correspondence - Delays

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. the Premier. What action does the government intend to take to ensure that the inordinate delays in several government departments in replying to correspondence, as cited in the Ombudsman's report, are rectified?

MR. LOUGHEED:

Mr. Speaker, I will take the matter as notice and I'll try to ascertain which departments are involved and I will speak to the appropriate ministers.

MR. WILSON:

A supplementary, Mr. Speaker, would the hon. Premier appreciate receiving some suggestions as to which department might be the worst offender?

MR. SPEAKER:

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

MR. GHITTER:

Mr. Speaker, my question has already been answered by the Minister of Municipal Affairs.

MR. SPEAKER:

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

Crude Oil -- Freehold Surcharge

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Mines and Minerals. I wonder if the minister can advise the Assembly what the situation is with respect to the 65 per cent surcharge on freehold? I assume it won't be levied but I'd like to know what the government's position is on it.

MR. DICKIE:

Well, Mr. Speaker, the House should be aware that the 65 per cent applies to crude oil from Crown lands. There is a Freehold Mineral Taxation Act. They are now in the process of making an assessment of the various properties under freehold which comprise approximately 17 per cent. Some time in June, the cabinet will consider what should be the mill rate on the freehold and at that time consideration will be taken into effect as to the increased prices.

MR. NOTLEY:

Mr. Speaker, a supplementary question. Can the minister advise whether or not the mill rate will be based on the same revenue projections as the 65 per cent on the Crown share?

MR. DICKIE:

Mr. Speaker, that decision, of course, hasn't been reached at this time but I would like to assure the hon. members that when the mill rate is being considered, I think one of the factors to be considered would be the fact that we are looking at revenues of an average 65 per cent royalty on other oil.

MR. NOTLEY:

A further supplementary question, Mr. Speaker. Can the minister advise the Assembly what his projections are with respect to the company's share of the new royalty agreement?

MR. DICKIE:

Well, Mr. Speaker, we've done some preliminary estimates, both from the Crown and the industry itself and we're now in the process of working with the Provincial Treasurer to confirm the estimates. At the present time I would say it appears that the share to industry would be some \$737 million.

MR. NOTLEY:

Mr. Speaker, just one final supplementary question. Will there be any changes in the drilling incentive program?

MR. DICKIE:

No, Mr. Speaker. The drilling incentive program has been set down and has been well accepted. We are pleased to leave it as it stands now.

MR. SPEAKER:

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

Detoxification Centres

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Minister of Health and Social Development. Has he received any communication from Mr. Anthony, the chairman of the Alcoholism and Drug Abuse Commission, with reference to the proposed detoxification centre at 70 Street and 90 Avenue within the last two days?

MR. CRAWFORD:

Mr. Speaker, I am going to presume that the address that the hon. member gave me refers to the site well known as the Renfrew site in Calgary.

MR. LUDWIG:

No, no. I'm talking about 70 Street and 90 Avenue in Edmonton.

MR. CRAWFORD:

The hon. member has come closer than I thought, Mr. Speaker - in one respect only. The answer to the question is, no, Mr. Speaker.

MR. LUDWIG:

Mr. Speaker, to get a little closer to the truth of the whole matter, was the minister advised that following a meeting on Tuesday night between the people who object to this centre and Mr. Anthony, Mr. Anthony had expressed the view that if they are going to continue to be hostile he might withdraw ...

MR. SPEAKER:

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

The hon. Member for Little Bow followed by the hon. Member for ...

MR. LUDWIG:

I have a supplementary on this. I have not received an answer, Mr. Speaker, and I believe I am entitled ...

MR. SPEAKER:

A request for an answer is not a supplementary.

MR. LUDWIG:

It's a supplementary to the hon. minister, Mr. Speaker. May I pose a supplementary question to the minister on this issue, Mr. Speaker?

MR. SPEAKER:

Would the hon. member proceed with this.

MR. LUDWIG:

Thank you, Mr. Speaker. Has the minister received any information as to the proposed resignation of Mr. Anthony from his job recently?

MR. CRAWFORD:

Mr. Speaker, perhaps I could deal with both matters the hon. member tried to raise. One is in respect to the meeting of the Ottewell residents, about which I had a full discussion with Mr. Ashton, the MLA, shortly after that meeting.

And in respect to the other matter raised, no.

MR. LUDWIG:

Can the hon. minister advise if the proposed detoxification centre is going to be proceeded with at the present time?

MR. CRAWFORD:

Mr. Speaker, if the question is directed to a detoxification centre in the Ottewell area, none was ever proposed for that area.

MR. LUDWIG:

No, Mr. Speaker, I was referring to the proposed detoxification centre at 70 Street and 98 Avenue in Edmonton.

MR. CRAWFORD:

Mr. Speaker, I don't mind continuing to go over the details. No detoxification centre was ever proposed for the area the hon. member refers to. There was a tentative proposal that another type of facility, which is an intoxicification recovery centre and quite different from the detoxification centre, might have gone in there. But my understanding is the commission does not intend to proceed with those plans.

MR. LUDWIG:

Mr. Speaker, on the matter of the location of a detoxification centre - whether in Edmonton or in Calgary - does the chairman of the commission or the minister have the final say in this matter?

MR. CRAWFORD:

Mr. Speaker, what happens when any government agency wants to locate in any area is that an application is made to the municipal authorities in the usual way - naturally, in respect to what parcel of land the application is made, is the decision of the commission.

MR. SPEAKER:

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

Oil Revenue - Disbursement

MR. R. SPEAKER:

Mr. Speaker, my question is to the Premier. Will the government plan a further tax reduction plan in relation to the potential \$900 million of revenue so that Alberta taxpayers have more self-determination in spending their own money?

MR. LOUGHEED:

Mr. Speaker, it's a very interesting possibility - of a number of them - and we'll be thinking about it.

MR. R. SPEAKER:

Mr. Speaker, a supplementary to the Premier. Has the government considered providing some of the \$900 million toward debt retirement at levels of government, particularly municipal levels? municipa; levels?

MR. LOUGHEED:

Well, Mr. Speaker, I suppose the government has been limited to some 36 hours of opportunity to make that sort of assessment. It will be our intention during the course of the spring session, as I mentioned yesterday, to provide a statement on government fiscal policy, and we certainly would welcome suggestions. We have a number of ideas and alternatives including some the hon. member has alluded to.

MR. DIXON:

A supplementary question, Mr. Speaker, to the Premier. It is regarding the equalization payments and the extra money that the province is going to acquire.

What agreement was reached with the federal government as to how we can spend that money? Do we have to limit it to capital in order to avoid embarrassing the federal government with its equalization payments to other provinces?

MR. LOUGHEED:

Mr. Speaker, we offered - because we intend and have always intended - to put aside in a fund a substantial portion of the funds. We have not tied our hands as to how much. We will have full control over the disposition of those funds. There is no restriction on those funds being involved in any way in just energy situations. I'm really not in a position to go further.

Officials of the federal government have naturally been meeting with the Alberta government and have an interest in assuring that the way we set up the fund falls within the definition of equalization payments. To that extent we will accommodate the federal government insofar as Albertans are also taxpayers by way of equalization.

MR. DIXON:

One final supplementary question to the minister then. Do I take it from your remarks, hon. Premier, that there will only ...

MR. SPEAKER:

Would the hon. member please address the Chair.

MR. DIXON:

Yes, Mr. Speaker, to the Premier. Mr. Premier, does the plan then indicate that only a slim portion is going into operating and the balance is going to be kept in capital expenditures in order that the federal government can continue with the existing equalization formula for the rest of the provinces?

MR. LOUGHEED:

Mr. Speaker, I thought I was clear. The decision would be made entirely by the provincial government in terms of what the provincial government feels is in the best interest of the province of Alberta in the future, not in relationship to the federal government in terms of equalization. Our sole undertaking, which really was something we had intended to do all along, was to move to the position that a substantial portion of these funds would be put into a capital fund, details of which the Provincial Treasurer and I will be announcing later.

MR. SPEAKER:

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

Alberta Gas to Saskatchewan

MR. WYSE:

My question, Mr. Speaker, to the hon. Minister of Mines and Minerals is a follow-up to a question I asked earlier in the week regarding the large volume of Alberta gas going to Saskatchewan at very low rates. Has the minister had an opportunity to check out some of the questions I posed to him at that time?

MR. DICKIE:

Mr. Speaker, as I said, we had some general figures on that but to make sure we have them accurate we have checked them out with the Energy Resources Conservation Board. We haven't received a report from them confirming those figures.

MR. WYSE:

A supplementary question. Would the hon. minister table this information in the Legislature?

AN HON. MEMBER:

Put it on the Order Paper.

MR. DICKIE:

Mr. Speaker, I was going to give him an answer in the House but if he would sooner have it tabled, I'll be glad to accommodate him.

MR. WYSE:

That's fine.

MR. SPEAKER:

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

Chiropractors - Services Ceiling

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Solicitor General. Is the government discussing the matter of raising the \$150 maximum payable to chiropractors through Alberta Health Care and Blue Cross at this time?

MISS HUNLEY:

Mr. Speaker, there is continuing negotiation between the commission and the Alberta Chiropractic Association, but we have not made a decision to raise any ceilings on chiropractic services at this time.

MR. SPEAKER:

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

Public Service Vehicles - Tire Safety

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Highways and Transport. What control or inspection does his department conduct dealing with the safety of tires used on public service vehicles, to give an example, public transportation as provided by buses travelling on highways?

MR. COPITHORNE:

Mr. Speaker, they are periodically examined by our patrols.

MR. LUDWIG:

Checked the air pressure?

MR. RUSTE:

A supplementary question to the minister. Are there any specifications as to depth of tread and so on that are required?

MR. SPEAKER:

Clearly this is a matter of detail which might be acquired otherwise.

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

Oil Pricing - Saskatchewan Trade-Offs

MR. DIXON:

Mr. Speaker, I would like to direct a question to the hon. the Premier and it is regarding the other oil-producing province, Saskatchewan. The Premier of Saskatchewan announced yesterday that he had a number of trade-offs, such as iron and steel and transportation. I was wondering what trade-offs we received as a province, Mr. Premier?

MR. LOUGHEED:

Mr. Speaker, I was rather anticipating that question because I noted the comment that was made by the Premier of Saskatchewan and quite clearly the Premier of Saskatchewan for his own reasons may be attempting to tie that situation to the discussions on oil pricing. And so I would like to refer hon. members to a statement by the Prime Minister in the federal Hansard of March 12, 1974. There was a question to him with regard to the matters of so-called quid pro quo's and the Prime Minister replied:

I would disclaim that that approach has been used at all. I think the federal government made its position quite clear some months ago, namely, that we did not accept the quid pro quo approach, and we undertook long before the energy crisis, certainly when DREE was founded and then again at the Western Economic Opportunities Conference, to do various things to help the balanced growth of the western part of Canada, particularly the prairie provinces.

Mr. Speaker, the project the Premier of Saskatchewan is referring to arises out of the DREE agreements and the DREE understanding, and in our view is unrelated. And I wanted to make it absolutely clear that I concluded those discussions with the Prime Minister and with the premiers being clearly assured by the Prime Minister that I would be able to stand in this House and say that there is absolutely not one single, additional aspect that flows to the Province of Saskatchewan that does not flow to the Province of Alberta.

Gas Exports - Pricing

MR. DIXON:

Mr. Speaker, I would like to direct a supplementary question to the Premier and it is along the same line. Where there any discussions on natural gas exports to eastern Canada as far as price is concerned because with the rising price in crude oil, gas usually follows. I was just wondering, were there any discussions about the future of the export of gas and is there going to be any encouragement from the federal government or anyone else for a better price for ours?

MR. LOUGHEED:

Mr. Speaker, I think we have general encouragement by the federal government starting last June with regard to increased prices for natural gas and I would think I would have to say they have been consistent with regard to that. The only discussion I can recall on the matter was a brief exchange between the Premier of Ontario and myself during the discussions regarding natural gas prices. He said, "If natural gas prices increase ..." and I said, "Pardon me for interrupting, Mr. Premier, when natural gas prices increase ...".

MR. SPEAKER:

The hon. Member for Calgary Bow followed by the hon. Leader of the Opposition.

Illegitimate Children

MR. WILSON:

Mr. Speaker, I'd like to direct a question to the hon. Minister of Health and Social Development. Is the minister prepared to introduce an amendment to The Individual's Rights Protection Act to prohibit discrimination against a person on the basis of birth status, in view of the study recently released by the Department of Health and Social Development concerning public attitudes to illegitimate children?

MR. CRAWFORD:

Mr. Speaker, I would have to say that I considered the results of the study recently done to be very significant. However, the question of any legislative intentions that might follow from the survey itself have not been considered.

MR. SPEAKER:

The hon. Leader of the Opposition followed by the hon. Member for Spirit River-Fairview.

Food Prices

MR. CLARK:

Mr. Speaker, I would like to direct a question to the minister of Consumer Affairs and ask when we might expect the next version of those refined, highly sophisticated reports on food prices from his department?

MR. DOWLING:

Mr. Speaker, we are now in the process of designing the next set of statistics. They will be completed on April 15. I notice a question on the Order Paper asking for all those statistics. I would like to hold that back until both those documents are available so you'll have something to compare all the statistics with.

MR. CLARK:

Mr. Speaker, a supplementary question to the minister. Is the minister saying that he won't be able to provide the House with these documents before April 15?

MR. DOWLING:

That's not true, Mr. Speaker. We can provide those we have right now. We are going into another series of them and we would like to have those second documents available at the time we table the first ones so that there is something to compare.

We have involved, through the Department of Agriculture, some 56 young ladies who are district home economists to gather these statistics to avoid any increase in our staff, Mr. Speaker.

MR. SPEAKER:

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

MR. COOKSON:

Thanks, Mr. Speaker. To the Minister of Consumer Affairs, I was wondering in your statistics whether you are ...

MR. SPEAKER:

Would the hon. member please address the Chair.

MR. COOKSON:

I wonder if the minister could tell us, in the statistics that are being developed, is there a relationship between salary, income and the consumer price index? Might those figures be available?

MR. DOWLING:

Mr. Speaker, those figures are available. They indicate that disposable income in Alberta increased some 14 per cent over the year 1973 as opposed to the cost-of-living index increasing something like 6.5 per cent.

MR. CLARK:

Mr. Speaker, a supplementary question to the minister. I'd like to ask if the minister would table the reports that he has now, rather than waiting until April 15, so he can table the ones with comparison, and let us make our own comparisons for the sake of the budget Estimates that are coming up.

MR. DOWLING:

Well, Mr. Speaker, I wasn't sure that the hon. members were qualified to compare. I thought I would provide that information for them. However, I notice the question is on the Order Paper, Mr. Speaker, and I'll abide by the terms of that question. We'll table them the moment it is on paper.

MR. SPEAKER:

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

Fort Saskatchewan - Dow-Dome Complex

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Minister of Industry and Commerce. Can the minister advise the Assembly whether he is in a position to make any further announcement today, with respect to the Dow-Dome chemical complex at Fort Saskatchewan?

MR. PEACOCK:

Mr. Speaker, I think we'll be getting the details later on today and I'd rather defer any comments on that until Monday.

MR. NOTLEY:

Mr. Speaker, one supplementary question to the hon. Premier. It flows from your interview last night, about removing obstacles. What discussions took place with respect to the petrochemical industry in relationship to the energy conference this week?

MR. LOUGHEED:

Mr. Speaker, I had discussions at the meeting of first ministers generally with regard to that matter. I've had a number of discussions with the Prime Minister on the subject. We also had the discussions here with the federal minister, Mr. Gillespie. The general position is that the federal government will be moving and working with the Alberta government in terms of the natural economic advantage of this province by way of petrochemical development. We have some other approaches that we intend to take with regard to that matter which we will be announcing in the House shortly.

MR. SPEAKER:

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

Detoxification Centre - Calgary

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Minister of Health and Social Development. Would he accept an invitation from the residents who are opposed to the Calgary Detoxification Centre to attend a meeting in order that they may voice their concerns to him in Calgary?

MR. SPEAKER:

Surely a matter of an invitation to a minister is something which would be arranged directly without taking up the time of the House.

MR. LUDWIG:

Supplementary, Mr. Speaker. Would the minister consider hearing a delegation from Calgary on the issue in Edmonton?

MR. CRAWFORD:

Mr. Speaker, in fairness to the hon. member, I would have to say that I have for some months treated the matter as closed.

MR. SPEAKER:

The hon. Member for Bow Valley followed by the hon. Member for Wainwright.

Farmers - Public Housing

MR. MANDEVILLE:

Thank you, Mr. Speaker. My question is to the hon. Minister of Municipal Affairs. On the new program that was announced last evening for public housing for farmers, I was wondering if the minister would give any consideration, when they are registering mortgages, 'caveating' a mortgage against the title, if these are going to be against the full parcel of 160 acres. Or will there be recognition to the smaller acreage?

MR. RUSSELL:

Well, Mr. Speaker, I appreciate that question because it is a very important part of the program and one which has taken us several months to work out with the lending agency. The agreement we have reached is that for any farm we will be able to separate by lease, a 60-year lease, a 40-acre legal sub-division which will not be considered to be encumbered by the mortgage owing against the general farm itself, if I could put it that way, and that would be considered the home site for purposes of residential mortgages.

Homeowners' Assistance Program

MRS. CHICHAK:

A question to the hon. Minister of Municipal Affairs. Could the minister advise whether the Alberta Homeowners' Assistance Program is independent of the CMHC assistance program, or must those applying for the provincial assistance qualify under the CMHC first?

MR. RUSSELL:

Mr. Speaker, I think the best way to answer that is that probably the person would get quicker action or more logical action if he went first to the federal program and then to the provincial program, because as I attempted to explain last night, the two programs are supplementary. The federal program covers family incomes down to a certain level and at that point the provincial program then is complementary to the federal program, so it would go in that order.

MR. SPEAKER:

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

Crop Insurance

MR. RUSTE:

Mr. Speaker, my question is to the Minister of Agriculture, and it deals with the reply he gave the other day on the rates for the new test area and crop insurance.

Could he make these rates available prior to our budget discussions so we could have that information?

DR. HORNER:

Yes, Mr. Speaker, we can make them available almost immediately. As a matter of fact, they are in my office and they are public figures.

Dairy Policy

DR. HORNER:

Mr. Speaker, could I have the indulgence of the House. I just had a message from Ottawa with regard to the new dairy policy for 1974-75 which might be of interest to hon. members.

SOME HON. MEMBERS:

Agreed.

DR. HORNER:

The federal Minister of Agriculture announced a new dairy policy today with the target support of \$8.50 per 100 pounds. The new level compares with the support of \$7.17 at the moment and there will be an increase of 6 cents per pound in the support price of butter and an increase in skim milk powder to 50 cents per pound.

MR. SPEAKER:

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

Fireworks - Retail Sales

MR. WYSE:

My question, Mr. Speaker, is to the hon. Minister of Consumer Affairs. Has the provincial government received any requests for assistance from the retailers in the province who have many hundreds of dollars of fireworks in store, unable to sell them because of the relatively new provincial regulations?

MR. DOWLING:

I'm sorry, Mr. Speaker, I didn't hear what the retailers are trying to sell.

SOME HON. MEMBERS:

Firecrackers.

MR. DOWLING:

Well no, Mr. Speaker, I haven't had any representation at all.

MR. WYSE:

A supplementary question, Mr. Speaker. Would the government consider forcing the wholesalers to take back the stock that they have been unable to sell?

MR. DOWLING:

No, that's a matter between the retailer and the wholesaler, Mr. Speaker. The retailer buys something in hopes that he can sell it. Anybody involved in the retail business has always done that. If the item doesn't go, it is considered a 'dog' and he has to get rid of it by one means or another.

MR. WYSE:

A supplementary question then, Mr. Speaker. Does ...

MR. SPEAKER:

Order please. We have run out of time and I have already recognized the hon. Member for Little Bow. Perhaps the hon. member could raise this topic on another occasion.

The hon. Member for Little Bow.

Rural Gas - Irrigation Subsidy

MR. R. SPEAKER:

Mr. Speaker, to the Minister of Telephones and Utilities. Has the minister any further information with regard to government subsidy in the rural gas program for irrigation sprinkler systems?

MR. FARRAN:

Mr. Speaker, we are still studying the figures on the whole question of applications for second grants for other than the farm home, for such things as sprinkler irrigation systems. I met with a delegation from the Federation of Gas Co-ops yesterday. I am still awaiting final figures on how much might be involved if this concession was allowed to the co-ops. I hope to be able to report as soon as I have the figures on which to base a judgment.

MR. SPEAKER:

The hon. Member for Bow Valley would like to have leave of the House to revert to introduction of visitors.

INTRODUCTION OF VISITORS (CONT.)

MR. MANDEVILLE:

Thank you, Mr. Speaker. I would like to introduce to you and through you to the members of this Legislature 35 students who came up here from a long way - from my constituency - to see the Legislature in action. They are accompanied by Mr. Thain and Mrs. Bowen. We used to call it the banana belt, down there where they come from. They come from an area called Suffield and we called it the banana belt, but I think after yesterday's announcement we are going to call it the "money tree".

I would like them to rise and be recognized. They are in the public gallery.

ORDERS OF THE DAY

MR. HYNDMAN:

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

ROYAL ASSENT

[His Honour the Lieutenant-Governor entered the Legislative Assembly and took his place upon the Throne.]

MR. SPEAKER:

May it please Your Honour, the Legislative Assembly of the Province of Alberta has passed a bill to which, and in the name of the said Legislative Assembly, I respectfully request your Honour's assent.

CLERK:

Your Honour, following is the title of the bill to which Your Honour's assent is prayed:

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

[The Lieutenant-Governor indicated his assent.]

In Her Majesty's name, His Honour The Honourable the Lieutenant-Governor doth assent to this bill.

SERGEANT-AT-ARMS:

Order!

[The Lieutenant-Governor left the Legislative Assembly.]

GOVERNMENT MOTIONS

1. Moved by Hon. Mr. Miniely:

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

[Adjourned debate: Mr. Benoit]

MR. BENOIT:

As I was saying last night, Mr. Speaker, when I remembered that I'd left my glasses in the apartment and couldn't read my notes - it's not how much money you spend but the results you get for your money that counts.

SOME HON. MEMBERS:

Agreed.

MR. BENOIT:

One of the hon. members made reference to the fact that not much had been said about the Social Credit monetary policy as a solution to our inflation and then went on to point out that one of the main philosophies of the Social Credit monetary theory was to keep the money in circulation. He was right on the first point and on the second point, except that we had made some comment about it which he may have overlooked. Unless it is addressed to the Assembly in exactly the same language as members are accustomed to hearing it, they don't always recognize it as Social Credit monetary policy. We have made reference on two or three occasions, and particularly with regard to the discussion on the amendment, to Social Credit monetary fiscal policies. When we're talking about money being kept in circulation that is an essential under all circumstances, but this refers particularly in times of depression and poverty, when people have no money and there are all kinds of goods available.

We are now in a time when we have all kinds of money and we're running into a shortage of goods, so there has to be another factor introduced into the system at that time. But, Mr. Speaker, I don't propose to talk about that or to rise to the bait that was given by that particular member.

I do want to address myself particularly, in the short time at my disposal, to some of the factors in the debate and in the speech as it was read the other night. I am thinking this morning, Mr. Speaker, of some general things to begin with.

When we look at the amount that is proposed for the Alcoholism and Drug Abuse Commission I note that the amount is \$3.7 million, and it is suggested that is a 71 per cent increase. This looks very good just looking at the figure, but when one compares that with the comparative increase in the government's revenues through the Alberta Liquor Control Board, it is not all that much of an increase. Last year, in round figures, the Liquor Control Board took in for the government something like \$74 million. It is anticipated that this year that will be increased to something like \$84 million. That is double what it was 5 years ago in 1969 when it was \$42 million.

Yet, the problems that arise as a result of the consumption of alcoholic beverages - or probably I should say, the abusive consumption of alcoholic beverages and drugs - are considerably more than fit into the increase that is given in the Budget Speech. Not saying anything pro or con with regard to the commission, I would like to respectfully suggest, Mr. Speaker, that a great deal more of these profits might be well spent in areas patching up the damage that is done by the consumption of the alcoholic beverages and the drug scene.

Looking at the speech further, Mr. Speaker, I was very interested in the exploratory drilling incentive system and the suggestions that are made for more money in this area. Now, no sums were specified in this particular aspect of the speech. It is interesting to note, however, that with the rising price of crude oil and the announcements that were made recently, I would hope that somehow the government might be able to revert to the system that was used previously. The companies were allowed to make their own decisions as to how much money they would use for exploratory drilling purposes, and they would not have to come to the government and ask for these incentives. The money would be made readily available out of the profits that the companies were permitted to have before the royalty was taken off, giving the private companies a freer hand to do the things that they have normally done for many years before.

There is another thought that I have with regard to the general administration aspects here. It has to do with the matter of the administration of justice. I note that there has been an increase in legal aid, for instance, of some \$400,000. I am not certain that this is more or less than is going to be needed. But one thing that really concerns me is that it is a comparatively small amount in comparison to the amounts being spent on facilities and other extraneous things that have not that much to do with justice.

We can have some beautiful schoolhouses, but if the teachers and pupils do not have rapport and there is no communication, we don't really have a school. We can have some beautiful courthouses and some very nice chambers in which to conduct court cases, but if we do not have rapport between the administrators of justice and the people who are being tried and the offended, then we do not have the administration of justice in fact. This is a question that I would raise with regard to this, not from a critical standpoint but from a standpoint of inquiry.

There was a comment made with regard to the land purchase fund, something that is to be established. I would hope that somewhere along the line we would have a much more detailed explanation, Mr. Speaker, as to what is intended or what the basic philosophy of this land purchase fund will be, because we have heard critical remarks from both sides of

the Legislature with regard to the land banks and the land acquisition programs of provinces to the right and to the left of us, and here we have suggested in this Budget Speech the idea that there will be \$20 million provided as an initial advance for this fund. I will await with anticipation any suggestions made with regard to that.

Sometimes figures have a way of leading us astray, Mr. Speaker. Someone once said that figures don't lie, but liars figure. I don't know whether we can say that is always the case, but here is a situation, when we're talking about the growth of the public service, that concerns me. The concluding remark with regard to the growth of the public service, which is a 9.9 per cent or 10 per cent increase in manpower in the government this year, says, "I am pleased to report that in spite of the above growth, aggregate salary and wage costs will remain at a constant 13 per cent of the total budget."

I do not know what is meant by "the total budget", but working on the total income account expenditures budget, this 13 per cent, Mr. Speaker, is a rather fabulous amount of increase when you consider the increase of the budget. When you look at it from the standpoint of what that 13 per cent means between last year's budget and this year's budget, it means a \$37 million increase in wages and salaries, if it is a 13 per cent increase of the total budget.

When you stop to think of that spread over 19,000 civil servants, which was the figure given for 1971, that would be an increase of \$2,000 average for each of these 19,000 persons. If we use the figures that have already been given here in the Legislature - and I'm not prepared to say whether they are right or not - that we have 28,000 civil servants, even spread over 28,000 civil servants, that 13 per cent increase amounts to an average increase of \$1,350 for each civil servant. Now I'm pretty sure a lot of them have not received that much. The question raised is, what does it mean to say that we have kept the salaries and wages of the civil servants to 13 per cent of the budget when what the budget has been increased to this year in dollars and cents amounts to a very large sum? While it looks good in the report, it may not be so good when we look at it from the long-range standpoint.

Mr. Speaker, I'm not so interested sometimes in what the budget says, as in what the budget doesn't say. I'm thinking in terms of some of the things that have already been discussed, I appreciate that. What plans are there, particularly for controlling inflation? When more and more money is injected into the economy, it contributes more and more to the increase of inflation.

What we need to do is hear something in the Budget address from year to year as to what is being actually done to control inflation or to decrease inflation. What happens when the source of funds dries up? I know that this might be considered as a philosophical or a hypothetical question, but we know that the fund will not always be there. Depending on a number of circumstances, when we are talking about our natural resources income, it's a non-renewable natural resource from which the bulk of our revenue comes. Therefore, that must eventually dry up. Or it may be that a sudden change in world economic circumstances will bring us to the close of this rather affluent age in which we live. What happens then? We should be thinking about it and planning for it now. I know the government is making some plans, but we would like to know what they are so we could deal with it in an intelligent fashion.

What will be done with the estimated billions of dollars of revenue which Alberta will receive from the petroleum export tax and the increased royalties on petroleum sales and so on? What heritage is being left for the next generation out of the windfall from our depleting resources today? On questions of that sort, not answered by the Budget address, we would like to hear comments from the other side. Very often the government members say, well, the opposition is criticising, but they are not offering any alternatives or suggestions as to what should be done. We have often offered, I think, more suggestions than we have received explanations from the government side as to what they are doing. In the course of the debate on the amendment we had a number of offers to make, but we haven't received too much response.

Now, Mr. Speaker, there is one aspect of this Budget Speech and the general policy connected with the Budget Speech that I am concerned about. It is the fact that government control over private enterprise is gradually creeping in more and more. There are all kinds of excuses and arguments under the existing inflationary circumstances why governments should do it, most of them under the guise of protecting the people of Alberta. I am not denying that under certain circumstances and under certain conditions some legislative control is necessary. But, Mr. Speaker, it really concerns me that the government is going more and more into business, the kind of business that was previously conducted entirely by private enterprise.

When we are looking at the petroleum situation which is foremost in our minds now, we're looking at the Alberta Energy Company, the Petroleum Marketing Commission, exploratory drilling incentives and things of that nature. When we look at our social services - once the local boards had to raise certain amounts of money for hospital services. Today the hospital services and the health unit services particularly are 100

per cent funded by the provincial government, so that local boards and local administration have little or nothing to contribute financially and little or nothing they can really contribute so far as the administration is concerned.

It's a case again of joint funding between the federal and provincial governments, where the people are left out in the cold and they are being told by 'big daddy' what to do. The Social Assistance Program is now almost 100 per cent funded at the provincial level so that even the municipal governments have only 10 per cent to put into the small share of the program which they undertake. So as a result more and more money is being spent because there is no control at the local level.

When it comes to educational financing, we're getting pretty close to the 100 per cent at the provincial level with the new programs that are being suggested.

Then I made reference earlier, Mr. Speaker, to the land purchase fund and I suspect that here again government is getting into an area that should be left entirely to free enterprise.

There are a number of other programs. I will not take the time to delineate them, but it concerns me very much that governments are getting more and more involved. It is easy to say, well, this is what the people want, or this is what is politically expedient. But, Mr. Speaker, it is not a question of whether it is what the people are purported to want; it is not a question of whether it is politically expedient. The question is the principle of the idea. This country of ours, this whole North American continent, was built on the principle of free enterprise with a minimum of government interference and a maximum of personal initiative and involvement. The more it begins to lean towards government control, the less personal incentive and initiative there is. And when you hear the old-timers speak, I hear a lot of young people today say, that was great. Even our young people, who for the last 15 or 20 years have been reputed to have said they wanted so much government assistance, are beginning to see that this weakens the vitality of our economy and our society in general. So I am concerned. This budget we have before us does nothing to alleviate my concern. It just looks as though we have more and more involvement in this way.

I can't help but come back, Mr. Speaker, to what I made reference to before this morning, this matter of justice. Everything seems to be controlled quite definitely by the government in so many areas. When it comes to justice, we say this is a matter that is left to the courts and the governments cannot interfere with it. I agree. It should be strictly out of the political realm. But, Mr. Speaker, unless the people who are offended, unless a large number of the less fortunate people - speaking from a monetary standpoint, those in the low-income brackets - have an opportunity to have equal access to the courts with other people, there is no justice. Sometimes it is difficult enough, with all due respect to the courts, to receive justice when you have the money to employ what the courts require by way of pleading the case. But it is much worse when you are kept out of court because you have not the means by which you can get into the court, either the ability to plead your own case or the financial ability to employ those who are required by the courts to plead cases on your behalf.

Now, Mr. Speaker, I would just like to say one or two things about land use. Having made reference to the fund, I am now going to leave that and return to the idea of land use in general.

Three or four years ago, pollution was the thing we were most concerned about. It was a major issue in 1969 and 1970, not just in our country but in the whole world because of its effects on ecology.

Mr. Speaker, one or two years ago, in '72 or '73, land use was the big issue so far as Alberta was concerned. The last year or more, we have been very much involved in issues pertaining to energy. Now we are kind of leaving behind some of these other matters. No, we haven't forgotten about pollution. We haven't forgotten about land use. But the big thrusts, the big efforts we were putting forth a year ago for land-use legislation and land-use guidelines, are being slowed up. Those three major thrusts were being put forth - the hearings on the eastern slopes when we had so much discussion about Village Lake Louise, later we had the Hutterite situation being tossed back and forth in the Legislature, and then we came to the decision that we would have a land use forum.

At the same time we were having problems with planning, so the government in its wisdom has put forth suggested guidelines for a new planning act. Then when we come into this session, Mr. Speaker, we discover that the eastern slopes hearings will be slowed up, that nothing will be done about them except some guidelines probably provided this year. The whole thing will be sort of shelved until the report on the land use forum comes in, which won't be for another two years in all probability as far as discussion in the Legislature is concerned - at least two years before that comes in.

In the meantime, the proposed new planning act being suggested probably won't come in at all this session. It won't be until next session that it comes in. So far as land use

is concerned, while it is being abused in many areas in the opinion of many people, nothing is going to be done about it now. It will be a little later, at least a year later, probably two years later and quite possibly three years later, before anything is done. In the meantime, these problems continue to be with us. I am suggesting, Mr. Speaker, that what we need to do is take some measures, some interim measures, to deal with this situation. Even though they may not be the solution, at least they could slow up some of the abuses being perpetrated upon our land.

In conclusion, Mr. Speaker, I would just like to suggest that when people in our constituency get hold of a budget report like this Budget Speech, they don't understand all the implications and all the figures and so on. But they are common people and they have their feet on the ground and most of them are free enterprisers. They still believe in the old adage "root, hog, or die". They like to get their teeth into something. They are not all that interested in the governments giving lots of handouts and subsidies. They just like to be left alone to continue their work. Now mind you, there are some who want them, but they are not all that strong.

What we want is more schoolrooms to accommodate our expanding population in our rural area, one of the few rural areas, maybe, where population is expanding because it is connected with the overflow from the city. We need more straight roads, where road allowances permit roads to go straight, where they are cheaper and better established and where they have the minimum of interference with land use. We want more transmission lines that go on the grid system, pipelines and power lines that follow the grid system.

I'll be finished in a minute, Mr. Speaker.

They want inflation dealt with at the provincial level, not waiting for the federal level or the international level. They want it dealt with quickly and as much as possible at the provincial level.

Finally, Mr. Speaker, I say expansion and diversification of our economy are good, providing they are consistent and practical. Because it is my opinion that in Alberta we ought to do what we naturally do the best. That is to provide food, clothing and shelter, the bare essentials of life, to as many people as possible, not only in this province but for the whole globe, taking in the Third World and other countries.

MR. SPEAKER:

May the hon. Member for Sedgewick-Coronation revert to Introduction of Visitors?

HON. MEMBERS:

Agreed.

INTRODUCTION OF VISITORS (CONT.)

MR. SORENSON:

Thank you, Mr. Speaker. I wish to introduce to you and through you to the members of this Assembly 17 Grade 9 students from Consort. Consort is in the far eastern portion of the province. I understand they are exceptional students. I'm not surprised. Even the Wise Men came from the East.

They are accompanied today by their teachers, Mr. Gerlach and Mr. Taylor, and adult supervisors, Mrs. Laye and Mrs. Taylor. They are in the public gallery. I would ask them to stand and be recognized.

GOVERNMENT MOTIONS (CONT.)

MR. SPEAKER:

Unless some hon. member is rising on a point of order, I would recognize next the hon. Member for Wetaskiwin-Leduc.

MR. HENDERSON:

Thank you, Mr. Speaker.

Mr. Speaker, I really hadn't intended to get into the budget debate, but in light of the recent developments at the federal level in the pricing of Alberta crude and its implications, there are a number of matters relating to those decisions that are of concern to me and that I want to bring to the attention of the members of the House.

When one examines the various factors, Mr. Speaker, of course one cannot avoid the conclusion, and all members are aware of it, that the question of oil policy in the future of the Province of Alberta is the number one issue in Alberta and will continue to be for many years to come. As I examine the information that has been made available to us in the last day, as well as other technical data, I've reluctantly arrived at the conclusion, Mr. Speaker, that the responsibility of the government is rather clear in this issue. They are going to be called upon, and I think the people of the province of Alberta are going to expect it of them, to place restrictions on the production of Alberta crude oil within the next few months.

In fact I suggest, Mr. Speaker, it can be justified that within the next six to twelve months, production of crude oil in Alberta should be reduced by as much as 30 per cent to bring it in line with the demand for crude that exists within Canada. The government should serve notice to its American customers that within a fixed period of time - six months minimum, twelve months at the outside - that export of crude into the American market will be curtailed or eliminated.

This is a rather drastic measure. I'm sure it is not going to meet with favourable reactions from many of the members of the House, and it certainly isn't going to be welcomed by people in the oil industry. It is, I think, a course of action which requires some very serious consideration. In spite of what has happened in the past in the marketing of Alberta crude in the United States of America, I think the facts are very clear and suggest, Mr. Speaker, that the government cannot dismiss lightly considering this course of action. In arriving at that conclusion, Mr. Speaker, I'd like to just briefly review some of the factors involved.

I'd like to start with the fact that the most recent Energy Conservation Board report demonstrates very clearly that the reserves of conventional crude in the province of Alberta have been declining over the past five years. As opposed to five years ago having a reserve life indices factor, as the board calls it, of something in the order of 24 to 25 years of crude - meaning that, at the production rate existing at that time, Alberta had conventional proven reserves of crude that were adequate to supply the market for 25 years - in the last five years the life indices factor has dropped to something like 11 or 12 years at present rates of production. So if we were theoretically able to continue the present rate of production of Alberta crude, the conventional sources of crude would be gone in 12 years at the outside, and if one allows a 4 per cent growth factor they will be gone in 10 years.

Obviously this has to be one of the major considerations in examining the policy of the government relative to oil marketing over the next few years. I think, Mr. Speaker, it's also abundantly clear and should be paramount in our minds that this is a depleting resource. Once it's gone, it's gone. I've used the analogy before, that it's as if we were exporting the topsoil of the province of Alberta. It's irreplaceable. Once it's finished, it's gone. There are those, of course, who argue that with the tar sands in reserve we shouldn't need to consider such action. But I would like to come to that question of the tar sands a little later on.

I think one of the additional factors that has to be considered, Mr. Speaker, is the fact that there is going to be increasing pressure from industry on the energy board to allow pools to produce at rates which, in the long run, may not prove to be desirable, that may be in excess of what it is desirable to produce. This gets back to the recovery of oil from a pool. One of the facts, I think, that has to be recognized is that the proven reserves of Alberta is a theoretical figure. One doesn't really know how much oil one is going to get out of the ground until the last barrel is out. So it's a hypothetical figure which is based on a certain element of pseudo-science and experience elsewhere in the world, primarily in the United States where the industry has a much longer history.

The board is going to be faced with increasing pressure to produce pools at what, I think, could probably be argued quite effectively on technical grounds by competent people, may be in excess of the desirable rate. There are a number of the major pools in Alberta that are what we call rate-sensitive, that producing in excess of a given rate, the recovery of oil from that pool is reduced in total. The influx of water to replace the oil doesn't progress equally through the reservoir, and so while the oil is still there, the economics of producing it are rendered below the economic level because it requires excessive quantities of water later in the life of the pool to recover the oil that was left behind during a period of excessive rate of production.

Similar mechanics apply to oil pools that are highly dependent upon natural gas as a flushing medium to drive the oil out of the reservoir. So very clearly, Mr. Speaker, this is a factor that has to be taken into account because the industry is producing, for all

practical purposes, at its maximum potential now. As market demand grows and exceeds the supply situation by more of a margin than there is now, there are going to be some wild scrambles before the conservation board to justify producing fields at increasingly higher rates. The risk of reducing recovery is one that cannot be lightly dismissed. I don't say that it is one that is not taken fully into account at the present time, but looking into the future the facts suggest that the board is going to be under increasing pressure to make decisions in the direction I've outlined.

I think, Mr. Speaker, one also has to take into account the fact that sometime about 1977 because of the declining reserves, the declining ability of pools to produce oil, the rate of production of conventional crude is going to be dropping by somewhere in the range of 100,000 barrels per day per year, give or take 10 or 20 per cent. But I don't think that's an unreasonable projection when one looks at the demand, when one looks at the data available from the Energy Conservation Board and from industry. I think one has to couple that fact with an additional one - that it's highly improbable that exploration will produce sufficient new discoveries to offset a decline rate of that magnitude.

I think also, Mr. Speaker, it has to be expected, in my view at least it's highly improbable that tar sands can be brought into production at a sufficiently high rate to significantly offset the decline - of 100,000 barrels a year or so of conventional crude oil, equivalent to a plant the size of the Alberta tar sands - about once each year.

I think another factor that has to be taken into account, Mr. Speaker, is one the Premier has mentioned. The American export market unquestionably is going to decline. The information I see reported in the literature - I refer specifically to this last one, Canada West Foundation - A Perspective of Energy Resources for Western Canada - suggests that before 1980 export of oil into the American market will be a thing of the past, and it could come much sooner than that. That's relying only on factors that are under the control of the provincial government or, primarily, the federal government. But that discounts American government policy which could bring it about at an even earlier date. So that market is going to decline.

I think, Mr. Speaker, Albertans have also got to appreciate that between now and the time at which the export tax from the American market disappears, the federal government export tax, something in the range of \$3 billion of revenue, will go into the federal treasury from Alberta crude oil. Now this \$3 billion, if one uses the current price of \$6.50 a barrel for the price of crude in Canada and takes the \$10.50 a barrel - the international price, the price of oil in the United States, which is in amount to the \$4 export tax - that \$3 billion is equivalent to one barrel to twelve or approximately 8 to 10 per cent of existing, proven Alberta crude oil resources.

So the federal government policy, the export tax, over the next five years creates the distinct possibility that in fact one barrel in twelve - somewhere in the range of 8 per cent of conventional Alberta crude oil reserves - will be confiscated by the federal treasury. This has nothing to do with corporation taxes and so forth. But one barrel in twelve of this irreplaceable resource will be confiscated by the federal government in the interests of maintaining low-priced gasoline and crude oil products in eastern Canada. I don't particularly disagree with the federal government's objective but I certainly have strong reservations about the chosen method.

So, Mr. Speaker, I think, in addition to those factors one has to take into account an item which is paramount in everybody's mind - what on earth is Alberta going to do with the problems of managing a cash surplus of \$900 million? I know the problems of politics well enough to know the pressures that are going to come on the government and every member of this Legislature.

One of the most difficult tasks any government has is to justify not spending money when they have it in the bank - cash in hand. "We can't afford it" is no longer a tenable argument. For example, I have no doubt about the ability of the medical profession to spend the full \$900 million - if you wanted to give it to them. And I have no doubt about the [ability of] educators to spend the \$900 million, and they would still be hollering about deficiencies that weren't being met. So while it is one of the facts of political life, and one which we all accept philosophically and can even joke about amongst ourselves, there is absolutely no question that the Government of Alberta, over the next five years in particular, is going to face one of the most difficult tasks in the management of affairs in the history of the province.

Managing a shortage is a much easier task than managing a surplus. They say a successful man is one who can earn more than his wife can spend. Fortunately I have always been a failure, but I shudder to think what pressures I'd be under if I were able to provide cash in excess of her spending abilities. But that's the problem that the members of this Legislature are going to have. It is going to take a lot more than wisdom. It will take a lot of intestinal fortitude on the part of everybody sitting in this Assembly to resist a lot of foolish demands, because most of them will have some element of social justification in them.

The fact of the matter is that the \$900 million that will be forthcoming in the next year doesn't belong to the people of the province of Alberta today. It is a depleting resource which must be retained for the well-being of our children and grandchildren, and the nieces and aunts of the bachelors and spinsters in the Legislature. But it has got to be there. It has got to be managed for the benefit of future generations. Very clearly, the Province of Alberta and the people of Alberta don't need an additional cash supply of \$900 million in the next year, and quantities proportioned thereto over the next few years. It is far in excess of what the people of the province of Alberta need and, I think, of what the elected people of this Assembly are going to be able to manage with any ease at all.

The pressures are going to be tremendous. So I think that anybody who is aware of the way the political system works has got to accept the fact that it is in the public interest to see a reduction in the level of that income. Because it is money, we will avoid a lot of arguments over where to spend it if it is left in the bank - and that's in the ground. It is not in the form of cash. It is held in reserve for the day one needs it. So I think this factor has to be taken into account along with the others in determining future oil policy.

A reduction in one-third or one-half of the cash surplus or the incremental revenue that is going to come out of the new price of crude oil will not deprive the people of Alberta at the present time of anything. There are still going to be sufficient revenues left. The province is still going to be faced with a difficult task - the government and this Legislature - of intelligently managing that money for the benefit of the people of this province and future generations. There is just no question about it, we don't need money of that magnitude. And I suggest it is far better to cut the temptation in half by cutting the surplus in half. So, certainly, continuing the production rates at the present level cannot be justified on the basis of the needs and the well-being of the people of this province today or tomorrow, or over the next ten years.

As I say, the conclusion, Mr. Speaker, is very obvious. I think the Government of Alberta will not be exercising its responsibilities to the people of Alberta - the citizens of Alberta today, and the citizens of Alberta tomorrow - if it does not take steps to curtail production. I think when one views such a proposition in light of all the factors: the American government's intent to reduce the imports anyhow; the federal government's intentions to provide the Canadian market out of western oil, with which I basically agree - I could even accept philosophically the desirability of keeping the price down for an interim period to minimize the effects of inflation. While I don't like it, I can still accept it, I think, as the other people of Canada can - the province of Alberta I suggest, Mr. Speaker, is going to have to look seriously at taking steps to significantly reduce production of Alberta crude oil in the next few months.

I agree this is going to cause some trouble. The only flaw or difficulty in the argument is the American market demand, because they can't shift readily from sources of Alberta crude to other sources. But the Arab oil embargo is off and I think with proper management and discussion, negotiation and forewarning, such a transition could be arranged. And again, Mr. Speaker, the policy I am enunciating is in accordance with announced American government intentions.

I think there will be other benefits. There will be benefits flowing out of the decision other than the immediate ones I have mentioned. I think, Mr. Speaker, that by examining the royalty - while industry won't like it, certainly the royalty structure is based on rate, it can be effectively managed - that the revenue position of the oil industry could be left essentially as it remains today. And I suggest there would be a saving to the industry.

Currently in Alberta the industry is spending considerable amounts of money investing in expansion of producing facilities and even drilling wells that are unnecessary under lower rates of production in proven oil fields. They are infill drilling with a view to increasing their capability to produce the oil, the fixed depleting reserve out of any given reservoir, at a faster rate. There are several millions, tens of millions of dollars being invested in Alberta today by industry, where the only objective is to increase the rate of production from proven existing fields. I think the program, Mr. Speaker, or the suggestion I've made, would clearly discourage industry from making an investment of that sort. And I suggest it could be in the industry's long-range benefit that we do discourage it with a view to shifting it to the exploration end, because it is clearly best in the interests of the people of Alberta to see exploration activities expanded and investments increased. But I question that some of the investment that is going into doing nothing other than increasing the capability of the industry to produce the fixed, finite, decreasing reserves of conventional crude at a faster rate is in the interests of the people of Alberta.

I think, Mr. Speaker, such action would also place more incentive on industry to maximize recoveries through reservoirs. It certainly is going to reduce the pressures that could lead to minimizing recoveries that can come from excessive rates of production.

I think it will also reduce, Mr. Speaker, the - I'm getting ahead of my notes, Mr. Speaker - it will reduce the declines in rate of production in future years. And it clearly relieves the transition period - not just for Alberta but for Canadians, because it is Canadians we are talking about - in bringing the tar sands into production. This is highly desirable because there is no question that any effort - and I think these gentlemen in Ottawa who call themselves federal cabinet ministers, and who talk about crash programs to import 30,000 and 40,000 Koreans a year to develop the tar sands at the plant, should be locked up, and not in Parliament.

The investments required to carry out a program of such a magnitude would be fantastic. When one looks at the investments required - the James Bay project, Labrador, the prospect of a Mackenzie pipeline - the sheer economic pressures of trying to embark upon a crash program to bring the tar sands into production to replace declining conventional production at such a rate, are clearly beyond the realms of practicality. Today's inflationary pressures, which are tremendous, would look like reasonable inflation as compared to what would result from such an effort, and the inflationary pressures in the province of Alberta would be tremendous. I think the inflationary pressures in Alberta from the Syncrude project alone are going to create some difficulties. Whereas maybe inflation rates in Alberta have been lower in the last few months, they could go to the other end of the statistics.

So, it would clearly afford, Mr. Speaker, more time to bring the tar sands into production. It would minimize the prospects of Canadians suffering from a shortage of oil in the next ten years. The program announcement, as I said, would afford the Americans the opportunity to shift their crude supply to other sources.

Lastly, Mr. Speaker, I think it would afford all Canadians the opportunity of sharing in the privilege of providing eastern Canadians with gas and oil products that are comparable to those that exist in western Canada. This is not a responsibility that should fall upon the shoulders of the people of the province of Alberta. But I think that, Mr. Speaker, is probably still a secondary consideration compared to the implications, so far as the economy of the province of Alberta is concerned, in not seriously considering the desirability of reducing rates of production from Alberta conventional crude sources.

Mr. Speaker, I have just about used my time, and I think the responsibility of the government is clear. I don't think it can avoid seriously examining the merits and the demerits of the propositions I've put forth. The only possible demerit of it relates to the upsetting effects it will have upon American refiners. But with adequate notice and reasonable action on the part of the government, surely with the lifting of the Arab embargo, the American government can simply encourage the achievement of its own national objective at a slightly earlier point in time.

MR. SPEAKER:

The hon. Member for Drayton Valley, followed by the hon. Member for Vegreville and then the hon. Member for Wainwright.

MR. ZANDER:

Thank you, Mr. Speaker. It is again my pleasure to speak to the Budget debate. And again it's my pleasure to thank the hon. Provincial Treasurer for bringing forth a meaningful budget - a budget which is equally distributed amongst every segment of our society and every occupation, and balanced amongst the secondary industry of the province.

Our basic trust, Mr. Speaker, has been in the direction of the industrialization of the province of Alberta and this, in the continuing years, will show greater results. Mr. Speaker, we have been accused by the opposition of the inflationary parts of the budget. The demands of every hon. member in this House have been mentioned before by other members of this Assembly. The continual demands by hon. members on government, on cabinet, on individual ministers has brought forth many requests. You will note in going through the 1972-73 Hansard - and I have it before me here if the hon. members wish to dispute it - more bridges, more hospitals, more courthouses, more senior citizens' homes - and God knows we need these - and more and better highways.

It seems to me, Mr. Speaker, that the hon. member who has just spoken, the hon. Member for Wetaskiwin-Leduc, has indicated what pressures the government will be under when we consider the budget for next year. I can only say, Mr. Speaker, that I have never known what it means to be rich, but I can imagine a province such as ours is going to have quite a time trying to keep the demands of the people down and trying to reserve the money for future generations.

Mr. Speaker, I would briefly outline the effects that the Budget Speech will have on the people of this province and the effect it will have particularly in my constituency. Mr. Speaker, ever since the announcement of the export tax on crude oil by the federal government last fall, and again an increase in the export tax last winter, and the

continued freeze on crude since last September, the industry has been led into an area of utter confusion as to what Ottawa will do next. One cannot blame the oil industry for curtailing development and cutbacks in the drilling programs for 1974.

First of all we must remember that the increases in the price on surface casing, and whatever necessary cost it involves in drilling a well, have risen significantly in my area from about \$68,000 to \$110,000 in one year. This would really make the price of sugar look very insignificant. And yet, Mr. Speaker, the price of a barrel of oil until yesterday was \$3.88. Mr. Speaker, this and the federal decision on the oil policy has directly affected employment in my constituency when you consider that six to seven out of every ten people are directly or indirectly involved in employment in the oil fields.

I can only recognize what the socialists have been talking about, and my fears have been expressed on many occasions about nationalizing the oil industry. Mr. Speaker, we have one national industry in our Canadian economy, and that is the CNR. I wonder if the hon. member - he's not in his seat today - would want the nationalization of the oil industry in Canada to be the same as the CNR.

Mr. Speaker, just last fall the industry in my area had a budgetary requirement for the drilling of a number of wells. Early this year, in January, the cutback occurred by some 100 per cent. Then about 15 days later I read that they were going to continue on with the drilling of at least 29 wells. If the uncertainty in the federal oil policy continues beyond April, even these wells may be shelved.

Mr. Speaker, if I sound bitter towards the national government, I say that I have every reason to be. At no other time in our history has such utter confusion reigned in Ottawa. We in western Canada have witnessed, as well as in our province, the utter and complete dependency of central Canada on the natural resources of western Canada.

Mr. Speaker, in speaking to the agricultural industry in my community I can't help but over-emphasize the indiscriminate freight rate charges whereby farmers in Alberta and western Canada must pay the freight rate both ways. Yet when we look at the purchases of agricultural equipment and agricultural needs, such as implements manufactured in eastern Canada, these agricultural implements coming from eastern Canada and the eastern manufacturers are sold at a higher price than in the northern parts of Montana and North Dakota. This, Mr. Speaker, must incite western agricultural activities to some fury. For western Canada simply cannot or should not tolerate the freight rate discrepancy as it exists today.

Mr. Speaker, central Canada has treated eastern Canada and western Canada as colonies and not as equal partners in Confederation. And at this time, Mr. Speaker, if oil happens to be needed in central Canada we may bend the constitution in such a manner to suit every wish and whim of central Canada, even to rob the oil from western Canada to the benefit of central Canada.

We in western Canada may never again be able to industrialize this part of our nation and we will become more and more dependent on central Canada for future use. It is very urgent, Mr. Speaker, that we in this Legislature and in this province, as members elected by the people of this province, act as trustees of their resources and administer them to the best of our abilities regardless which political party we wish to identify ourselves with. Mr. Speaker, this is one time that there must be unity of purpose in this Assembly. We must stand united behind our Premier and the cabinet in negotiating with central Canada in order to maintain the right to develop our natural resources and to sell them, if we wish to at all, at a fair value to the benefit of Albertans and western Canada in particular.

Now, Mr. Speaker, since I've dealt at some length with the national issues and their effects upon my constituency, I will leave these issues in the hope that they will be solved under the firm direction of our Premier and his cabinet.

I will now enter into the debate of the unsolved problems on the provincial level as they represent the Drayton Valley constituency.

Mr. Speaker, long before this government was elected in 1971 we tried in vain to obtain land adjacent to the large bodies of water in my constituency to be set aside for a small park for recreational purposes. We are far removed from the recreational opportunities of provincial parks and we need a suitable area for recreation - boating, fishing, camping and so forth. We have failed in every attempt to get proper action. We now have more hope as the Progressive Conservative government has recognized the need of the constituency, and we must remember, Mr. Speaker, that in dealing for land adjacent to these two large bodies of water - one is entirely surrounded by Crown land, and the other, which is Buck Lake, is surrounded on two sides by Crown land.

We expect, Mr. Speaker, that after some years of negotiation at least some results will be forthcoming. I can only assure the hon. minister that I will be knocking on his

door more often this year than ever before to obtain a recreational area and a park area in my constituency.

In my constituency, Mr. Speaker, we have other problems and I hope they will not take as long to resolve them as with our park problem. Mr. Speaker, we must remember we have been the forgotten constituency for so many years and I could not believe that somebody really cared, until a few years ago.

Industrialization in an area also carries heavy responsibilities, and these responsibilities cannot be tolerated by local government alone and cannot be carried by the taxpayers in the locale. The numerous heavy loads that utilize the roads built and maintained by the municipalities on one hand and which are used for industrial purposes on the other hand, cannot be maintained by the farming community in the area.

One may and can only feel the attitude of the additional burden which is placed on those living within that area, Mr. Speaker. And one must remember that the discovery of an oilfield, a producing field, carries with it tremendous responsibilities, and these responsibilities must be shared by the government which receives tremendous revenues and the municipalities concerned.

Mr. Speaker, I have tried to give an illustration of the damage that is caused in the area with a producing field of something like 7,000 oil wells. Mr. Speaker, I think the hon. Provincial Treasurer and probably the hon. Minister of Highways and Transport should take a trip more often to the constituency ...

MR. LUDWIG:

They've left.

MR. ZANDER:

... you can speak afterwards, you've spoken ... a trip more often through an area which has served as a bank account for the provincial government for the last 20 years. The Provincial Treasurer, as I indicated before, and the Department of Mines and Minerals, have said that only the leases and not the royalties in that area have yielded the government as of April 1, 1973, some \$408 million.

If we add, Mr. Speaker, the royalty rate that would have, and probably say at that time it was from 5 to 16.5 per cent, I would estimate the yield from that constituency to be in the neighbourhood of three-quarters of a billion to one billion dollars. And yet, Mr. Speaker, it is with some shame that I must say that the former government had not recognized the needs of the constituency at that time. If I could just point out, Mr. Speaker, the highway construction leading to the Fort McMurray sands. I am not saying that it isn't needed, but when I take a look at the highways program in my area I think it's something that you would have to see to believe, because it certainly doesn't come up to the standard of the roads in that area.

Mr. Speaker, I've tried to outline to the Assembly additional requirements in my area. The town of Drayton Valley was founded in 1953 and its estimated population this year would be between 4,500 and 5,000 people, serving a trading area of some 22,000 people. Mr. Speaker, we have an antiquated hospital with 49 beds that is filled with patients who should be in a nursing home or in an auxiliary hospital. However, since there is no other place to put them we have them in an active-treatment hospital. On my three visits to the hospital last year I found the emergency ward was in use and the two TV-viewing rooms were occupied by patients. We have two clinics in town with ten practicing doctors, but nowhere to put their patients.

The other need, Mr. Speaker, is for a provincial building. We have many government agencies scattered throughout the town wherever office space is available. Can you imagine, Mr. Speaker, a centre such as Drayton Valley, with a large population and for so many years without a provincial building? It cannot be because the constituency doesn't warrant it or can't afford it. It is instead the very opposite. The provincial budget should afford just one of these projects, Mr. Speaker, in my constituency, and members of this Assembly must remember that they have already taken the money out of there many years ago.

I have a few thoughts in closing, Mr. Speaker, and I can only reflect the concern that the hon. Member for Wetaskiwin-Leduc had just a few moments ago. My concern was the depleting resource of that field and that we were taking it out at a tremendous rate during last winter to keep up with the demands of eastern Canada and the United States. I say, Mr. Speaker, it is foolhardy to try to produce - to extract from this field the many hundreds of thousands of barrels of oil per day. What we are going to do is to ruin or destroy the structure if we're not going to come back to some meaningful - I hope, by the Energy Resources Conservation Board - production from that area.

Mr. Speaker, I can only touch on one item that is of great concern to me as a member of this Legislature, as a citizen of Canada and of the province of Alberta, and this concern was raised by the hon. Member for Innisfail last night on the permissive society that exists, not only in Alberta but in Canada, in North America. History will record that the great Roman Empire did not fall because a superior enemy attacked it from without. It fell because of decay from within. Moral standards are a great concern. Years ago, I can recall speaking to a magistrate who was a former head of K Division in the city of Edmonton. He said some 25 years ago, if you take away the lash you will build larger jails and more of them. And he says the time will come when you'll have to lock the innocent in jail to protect them from the ones on the outside.

I cannot look upon the moral standards, the moral permissiveness of the 'today' society. Mr. Speaker, I can only say - I have farmed most of my life and practically all of my life - I have seen animals who will protect their young, who will fight and die in an attempt to protect their offspring. But I am, Mr. Speaker, appalled at reading the statistics on the abortions in the province of Alberta. I have mentioned this before in this House and I can't visualize human beings, mankind, who will destroy or slaughter their offspring before they are born.

It is my hope that the provincial government and the federal government will certainly 'get with it' and set up standards, because I believe the moral standards of Canada are on the way - not only of Canada, but also the United States.

Never in the history of the United States has there ever been such a cloud hanging over the presidency as there is today. My fear, Mr. Speaker, is that the moral standards of North America are on the way down. Unless we pull ourselves up by our boot strings and come back to the living of a century ago and the morals of that time, will we be able to call ourselves Canadians and Albertans.

Mr. Speaker, in closing I have a few remarks to make. I am delighted with the Budget Speech. It is not inflationary. It gives to those who need, to those who are underprivileged. If the hon. members who are seated within this Legislature today have seen - as I saw on our trip to the handicapped - the underprivileged, more aid should go to them so they can become useful citizens and can be proud to be called Canadians and Albertans as well. I am not awe-struck that this is an inflationary budget, Mr. Speaker. In fact I am proud of it because it gives relief in that direction.

I am also pleased that the program will continue for the rural gas policy. If the hon. members will look from page 10 on in the Budget Speech, they can only assure themselves that the money is directed to those who are mostly in need of help. And I am glad that most hon. members, even on that side, have seen that point of view.

Mr. Speaker, I am pleased that the government has taken off the education foundation tax on most of the farm land, the residences and also the rental accommodation.

I am also happy, Mr. Speaker, that we will continue to give aid to our agricultural communities by way of grants, aid to young farmers and whatever is needed to keep the young people on the land, because that is the only place where I think some standards of morals are observed.

Mr. Speaker, in closing, may I quote from an author who wrote this article 21 years ago, but due to failing health has not been able to continue. Perhaps with the interest of the hon. Member for Spirit River-Fairview who is now in, and with his policy of attacking free enterprise, it may be well [for him] to heed what this gentleman wrote some 21 years ago, because I don't believe that he has. Well he wasn't very old at that time, but he said this:

A few of these men, and starting in 1908 - 1909, women who were the early comers to the district are mentioned by name, but for the most part, their names survive in other records, or perhaps in the families that they left behind to carry on those names. The great western nation north of the 49th parallel has been built by men and women of heroic stature, but who were, for the most part, 'unsung heroes' of a virile young nation that has even yet to hit her full stride to find her rightful place among the company of nations. One might call this a salute to those, ... 'heroes of faith' ... faith that 'tomorrow holds a brighter future'; rather than an attempt to 'call them by name', or perhaps to categorize them by the particular year that they entered into their particular phase of nation building; an assignment, from an inner urge, that has sent our peoples on similar missions of destiny since time immemorial to many parts of the world. In passing, we might add that though much is said and written about the 'foreign interests' that come into this country; the fact still remains the same: those same so-called 'foreign interests' are still trail-brazers, pioneers, nation-makers who risk much in exploring new territory and new concepts for the recovery of petroleum from the underlying reservoirs, and then on to its final stages of separation into its various aggregates. Perhaps the discovery of the Pembina field might well be used as a case-study ... eastern Canadian capital lay, for the most parts, safely invested in more secure and possibly more lucrative fields of

investment. It remained for one of the so-called 'foreign interests' to risk their capital investments in what must have seemed to most people, even to the oil fraternity itself, one of the most evasive and unremunerative pioneer drilling projects that could possibly be undertaken.

Thank you, Mr. Speaker.

MR. BATIUK:

Mr. Speaker, I also want to join the members of this House in congratulating and expressing appreciation to the Provincial Treasurer for the fine budget that he has brought down. I know that he has put a lot of work into it, along with the minister of the Crown, and particularly I would want to comment on some of the areas that are going to be of significant benefit to the province and particularly to my constituency.

Representing a rural constituency which is quite unique, which has a larger town almost centrally located with seven smaller ones around, they must all work together for their existence and also depend on the rural areas.

What is really appreciated is that agriculture continues to have a very high priority with our government. Particularly a few of the allocations here are very significant, you see that there will be a half a million dollars for wild oats control. Just recently I attended an agricultural service board conference and it was bewildering to hear that last year the farmers of Alberta lost \$125 million to wild oats. It is quite obvious that wild oats may be one of the biggest menaces to our agriculture.

Another one-half million dollars is for livestock insurance, one-half million dollars is in grants for livestock breeders and semen producers, and also one-half million dollars is for the establishment of farmers' markets which aim at improved consumer purchases. Here again I know it will be a real benefit for the consumers, but it will also be a great benefit for the smaller farmers who many times cannot dispose of farm produce.

One thing I really appreciate is that I have been given the privilege by the hon. Premier and the hon. Minister of Municipal Affairs to serve on the task force responsible for the reduction of the property tax. I believe this is one of the very important programs of this government and it was indeed a pleasure for me. I have learned greatly by my experience and the benefits of this committee, I think, did wonders for the province. At least I had real satisfaction. Sometimes you hear the members of the opposition criticize the caucus committees. This committee spent about 25 days, whether it was in Edmonton or Calgary, and the beauty of it was that we came up with a real program and we were not remunerated for our services.

It was mentioned by the hon. Member for Calgary Mountain View that the tax reduction program was for the rich - the rich get more and the poor get less. I just wonder already, who are the poor? Look at the transit operators in the city reaching up to \$8 per hour. Some of them, no doubt, when they cash or endorse their monthly cheques maybe do it by making an X. I am already starting to wonder whether we have had any poor people in Alberta in the last three years.

I believe the poorest people are those on social assistance. When you look at some of them, they don't make any effort to get out of it and seem very happy with it. I can say once again that in no way are any programs done for the rich - particularly when it has been mentioned that in Rycroft, probably for some home that is assessed for \$2,000, this person is going to get a very limited amount of \$200. Maybe some tycoon living in a \$200,000 mansion is going to get \$1,500. We have to realize that the person who has a home assessed at only \$2,000 has nothing, he pays nothing, so how can he get any reduction? Probably the tycoons - and even if there are many of them, I think they have contributed a lot to this province. Some of them have worked hard, invested and maybe they are entitled to this.

I am also very glad to see \$35 million for the tax reduction for automobiles with another \$11 million to reduce the cost to farmers. The hon. Member for Calgary Millican stated that on his 10,000 miles a year he would save up to \$25. I just can't ...

MR. DIXON:

On a point of order. I didn't get into the Budget Debate. I'm going to. I just spoke on the amendment. But I have other things to say on the budget anyway.

[Interjections]

MR. BATIUK:

Regardless, I don't know what kind of vehicle he drives if he is only going to save \$25 on 10,000 miles. I have counted that I should save about \$50, which is not so very

much, but when you add the dollars we'll save from the tax reduction, the health plans and so forth, you add all these together and I think the amount is going to be quite enormous.

The hon. Member for Spirit River-Fairview said that May 1 is far too late for the reduction for farm fuel. Now I can assure you that it may seem that way to him, but the farmers are smart people and I'm sure by the end of this month they'll have their tanks filled to capacity. Looking at the weather, I don't think they'll be using farm fuel much before May 1.

Sometimes it makes me wonder how much the other three socialist provinces are going to reduce their taxes.

I am very glad to see that there are no new additional taxes. Yet there is \$106 million allocated for benefits to Albertans. The hon. Member for Spirit River-Fairview says maybe that should be put in to reduce income taxes. Well here again, if we listen to his philosophy, if the income taxes were reduced, those living in \$2,000 homes would not benefit at all. It would be those who pay the highest income tax because of their income. So here again I think we did well by what we did.

Look at the additional \$10 of assistance to the senior citizens. Again the hon. Member for Spirit River-Fairview mentioned that we gave \$10 and \$20 was taken away. Well if it was taken away, it wasn't taken away by our government. I think that this assessment by the Minister of Municipal Affairs, even though it was a bit late - I do concur that this was a necessity. Being a director of a senior citizens' lodge, I sympathize with the patrons. Some years ago when the recipient of the old-age security received \$70 and his rental fee was \$65 I could see they suffered. Now when a person receives close to \$200 assistance and if he has to pay \$100, I think there is nothing wrong with it.

Just last fall I was one of the members appointed to a hospital visitors committee and just very recently we went out on our first tour. Our obligations were to bring recommendations to the cabinet for improvements to the senior citizens' lodge, the hospital, the nursing home and the auxiliary.

One area that I noticed in the senior citizens' lodge is that there is a certain amount of loneliness. I asked, in conversation, whether these citizens are visited occasionally, whether any of their children came. It was surprising when one, and there was more than one, but one particularly said, well, no there hasn't been anybody from my family yet. It's far from the end of the month.

So I would like to say that this old-age security that is being given, I think it is only right that senior citizens have the opportunity of spending it and it shouldn't be saved for someone to come at the end of the month and pick up the balance.

Furthermore, when we look at the senior citizens across the province, they have to pay an additional amount if they reside in their own residences. It's only fair that those living in homes provided by the government should pay their share also.

I am glad to see there has been an additional amount, almost two and one-half times, for early childhood education services. When we look at statistics, that learning disabilities are found in about 20 per cent of the children entering school, I think this amount for early childhood services for detecting these at an early age is very very important.

I'm also glad to find that our Minister of Municipal Affairs announced the 15 per cent increase for municipal assistance. Just three years ago at about this time the previous government decided to freeze the municipal assistance at \$38 million ...

AN HON. MEMBER:

Shame.

MR. BATHURST:

... and when you see how much it has risen ...

DR. BUCK:

Tell us about the revenue John.

MR. BATHURST:

... I will right away, I'll get to you yet.

When we look at the increase in municipal assistance over the last couple of years along with the amount that it took to thaw that freeze, I think the municipalities are able to do very well.

I was glad to see another 33 per cent for primary highways and bridges. I can see the impact this is going to have when we realize that tourism at present is our third highest industry in this province, and it is expected, within a short time, to be the number one industry. Far more, I find another \$18 million for oiling and paving. Now when you look at this figure of \$25,000 to each municipality or municipal district plus \$6 per capita, I am sure this amount of assistance is going to be equal to a 50 to 60 per cent increase in the road grant the municipalities have been receiving. And I think, in my many years as municipal and county councillor, this is the best piece of legislation that has been brought before [the House]. There has never been any grant or program as has been appropriated this year.

I am also glad to see - there isn't too much - even another \$500,000 for airport facilities. Since we see that people are travelling more and more by air, I think this is a step in the right direction. When I think back a short while ago when the hon. Member for Clover Bar stood in his place and he criticized ...

AN HON. MEMBER:

Oh, oh.

MR. BATHURST:

... last fall when the Premier and I landed a few miles east of here to officially open the Lamco Gas Co-op. I would like to bring to his attention that that morning we had attended an official opening of a provincial building in Vegreville, jointly with a new administration building. On our way back, we stopped to officially open the gas co-op. Now with a government being involved as much as ours is, I think this is a necessity.

AN HON. MEMBER:

Agreed.

MR. BATHURST:

When the hon. member made his statements I just wondered what he was so concerned about, whether the Premier and I were in that helicopter or whether he was worrying that we wouldn't see him harvesting his strawberries.

[Laughter]

When you look at this Alberta Horticultural Research Centre, on page 30, you see that Dr. Buck had received 2,000 strawberry plants. I just wonder, if a person really checked into it, whether sometimes there isn't a conflict of interest.

I would also like to say that I would want to commend the Minister of Industry and Commerce when our government purchased the Celanese plant in Two Hills. This plant was doomed to be shut down. It employed up to 45 people and our government had one alternative, and for the price they sold at, I don't think anybody should have been concerned. It was for the price of \$1 and I just wonder whether they have paid that dollar yet.

You know what really got me today? I must also mention it and it refers to the opening remarks of the hon. Member for Highwood when he said, it is not how much you spend but what you get. It just makes me think of that preacher in his Sunday morning service, when he was trying to give a lecture: don't do what I do, only do what I say. And while he was giving his sermon - it must have been a real soothing one, because one of the parishioners had fallen asleep - the preacher said, would all those who want to go to heaven please stand. And they all stood up except this one who was sleeping. As soon as they sat down he said, now all those who want to go to hell, please stand. And when he yelled "stand", this fellow awoke and he jumped up. He looked around. Everybody was sitting and he said, Reverend, I don't know what we're voting for but our views are identical.

[Laughter]

I would also like to commend our Minister of Telephones and Utilities for the amount of work he has done, particularly in the extended flat rate calling. We just finished a \$94 million telephone program last year and already we see it is not functioning properly and I was glad that the hon. minister had put in a lot of work. His intentions were good and I thought this was one of the finest things. But it is not working as well as I am sure the minister would have liked or I would have liked. I would recommend to the minister that particularly in some of the small places - I have one in my area where a

small village voted on the ballot in favour of it, but a neighbouring town maybe three or four times the size said, what do we need that little village for, and voted it down - maybe some revision in the program will have to be done in a short time. If there is any ...

DR. BUCK:

A lot of revision.

MR. BATIUK:

... information you would like, I would be very willing to give it to the minister.

I am also very glad of one particular thing that is coming up in my constituency. The members from the other side mentioned continuously our promises before the election. One promise I made to the people in the Vegreville constituency at my nomination was that I would serve all areas to the best of my ability and I would not favour any one area. And when the Minister of the Environment announced a research centre for Vegreville, I think this will be a project which will serve my entire constituency and also the people of the province. I think this is going to be a real boost and I am looking very favourably towards it.

DR. BUCK:

Just put a chip into it.

MR. BATIUK:

Also, our pre-election promises were continuously mentioned when the hon. Member for Spirit River-Fairview less than three years ago looked at us, at the Conservative candidates - he termed us Socreds and the Tories, Tory twins. As I listened to him today, I just wondered what has happened since, particularly here when he says, we in the opposition - not "I" but "we". I am already wondering who the twins are. Also I just wonder if there would have been somebody, another person in this House, of a different political view that probably the hon. member could have as a cousin.

Before concluding, I know there were a good number of the members at the chiropractic reception last week. There were quite a number who weren't there, and when the chairman of that reception came from Lloydminster, he mentioned one thing in a lighter view. For a while I thought it was a joke. But since then I found out that this was definitely right. So I thought maybe for those who didn't have the privilege of being at that reception, I should just mention it.

This was right in Lloydminster and, as you know, the main street of Lloydminster is the boundary between Alberta and Saskatchewan. A streaker flew through that main street and as he flew through it he ran into a snowbank. The people were quite perturbed about it and wanted to find out who he was and so forth. So they went and pulled him out of the snowdrift and thought they would be able to determine whether he was from Alberta. If he was orange or blue he would have been Albertan. But when they pulled him out and looked, immediately they determined that he was from Saskatchewan. He was red.

[Laughter]

Mr. Speaker, in concluding, I must say this is a budget that will be remembered for many years. It is going to bring out the programs we have longed for. And once again, hon. Provincial Treasurer, my congratulations to you.

MR. SPEAKER:

The hon. Member for Strathcona.

MR. KOZIAK:

Thank you, Mr. Speaker. I won't take the entire 20 minutes so if the hon. Member for Wainwright wishes to close after I'm through, I'll leave him some time.

Mr. Speaker, the budget makes no provision for the some \$900 million which this province will be receiving over the next year as a result of the extremely capable negotiations which the Premier and this government carried on and successfully concluded the other day in Ottawa.

It has been suggested, and I listened in earnest to the comments from the hon. Member for Wetaskiwin-Leduc, that we should perhaps consider keeping that money in the bank by keeping it in the form of oil, and by keeping it in reserve in the place where it is at now, by not producing that oil.

The thought came to me that there is a relationship between supply and demand, and that relationship shows itself in the ultimate price. If we take the approach that we should leave the oil in the ground we will be interfering with the supply, and at the same time, if the demand continues to increase we will see a corresponding increase in the price of oil. Maybe this is an excellent thing, but it's a temporary thing, because I can see into the future certain difficulties, and I'll bring those up later. At the same time, the price of oil will go down if through new discoveries, through new technological techniques or new recovery techniques, we can either take more out of the reserves that we have underground or we can develop quicker, cheaper and to a greater degree the oil that we have in tar sands, in shales and that form. Then if the increase in supply outstrips the increase in demand there should be a levelling off and perhaps a decrease in the price.

However, there is one other area in which the price can go down and that is the area that gives me a little more concern; that is if the demand for oil decreases because there is a corresponding demand, an increasing demand, for an alternate form of energy. I think we must not lose sight of the fact that the more the price of oil goes up the more there is a possibility that the demand will correspondingly increase for another form and another source of energy. We've probably all heard comments that it is only the cheap oil that we've had over the last couple of decades that has stunted the development of other forms of energy such as solar energy. So, as the price of oil goes up, so does the incentive to find other forms of energy perhaps at a cheaper and, from a pollution point of view, more acceptable form. Then, of course, our oil reserves may be in the same position as, for the time being, our coal reserves were and, to a certain extent, still are; where they must be sold; where the buyers do not come running to your door. I'm sure the hon. Member for Drumheller can bear that out.

In light of this type of thinking, I say to myself, Mr. Speaker, what are we going to do with \$900 million? Well, one of the things, of course, the budget provides under the capital ledger is an investment into the Alberta Oil Sands Technology and Research Authority. I think, Mr. Speaker, that it is important that we put our money, to a certain degree, into this form, because if we can, by investing \$100 million, develop new technologies which will result in the recovery of some 1,000 billion barrels of oil in that form at a cheap rate, then we can assure ourselves of a market for our product. If we can recover all that oil at \$4, \$5, \$6 a barrel, we can be assured that for an extended time into the future we'll be able to sell that oil. We now know that a great percentage of that oil cannot be recovered at those prices, and estimates are that only one-quarter is probably recoverable at this time from known technologies available to us.

This is why it's important from this government's point of view that we tie ourselves, and that we, in fact, tied ourselves, in our negotiations and in our conclusions with Ottawa and the other provinces, to price and not to export tax. It is to our benefit in this province to maintain a price for our oil that is fair, that is a price at which people will want to buy and will want to consume our product. If the price of oil reaches and continues to reach the heights it seems to be going from present indications, I have no doubt that oil will become an obsolete form of energy in the future.

I have a great deal of faith in the ingenuity of man. Man has always taken us to greater, simpler and less polluting forms of energy. As somebody once said, had we relied today on the form of energy that was available 100 years ago, being the horse and buggy, the major cities of this earth would be covered with manure, so that the pollution ...

[Interjections]

... no, manure, not bull - so that the form of pollution we experience in our cities from the motor vehicle is perhaps more acceptable than the other form.

So I then say to myself, Mr. Speaker, should we put all our money into oil? Should we take that \$900 million and plough it into developing research and technology for the development of our tar sands, perhaps finding all our oil reserves. I've come to the conclusion, Mr. Speaker, that that would be an incorrect move because there still is the possibility - and maybe there are some unbelievers amongst you - but I think you should search your souls and search your minds and foresee that there could very well be the possibility where some years down the road we're not going to rely on oil for energy. We're going to rely on uranium, we're going to rely on the sun, and oil will be obsolete. And if that happens, what happens to the province of Alberta if we develop an economy that's based strictly on oil? We'll be a ghost province. That's what we'll be. So I think we have to take the opportunity and - how does the saying go, there comes a time in the affairs of men when taken at the flood - we must take the opportunity we now have before us and use this \$900 million and the moneys that will be coming over the next few years in similar and larger amounts to develop an economy which will be strong in other forms. I look at man's basic needs, shelter, food, clothing; there have been changes throughout the years in other matters but there haven't been in those areas. We still need food, we still need shelter, we still need clothing, with the exception perhaps of the odd Lloydminster streaker.

In Alberta we produce food at the very primary levels. We have the grain, the animals. We produce right at the very beginning. And we are in an area that is close to the largest producers of primary agricultural products, being the other prairie provinces. I think that we should use a great portion of that money to develop our food processing industry so that at almost all levels we can, on a global scale, produce so that the item that must be consumed is before you right from Alberta. It doesn't take another step in Saskatchewan or Ontario or somewhere else. So we don't have the complaints we have heard in this House on a previous occasion, Mr. Speaker, or maybe more than one previous occasion. I recall the hon. Member for Vegreville complaining upon his return from a breakfast that the butter came from Quebec and the marmalade from California, and yet - or the strawberry jam. It was the honey. That's correct, the honey - and yet butter is produced in Alberta and, as I understand it, Alberta is the largest producer of honey in Canada. Why is it ...

AN HON. MEMBER:

The strawberries are at Buck's.

MR. KOZIAK:

... why is it that the honey is exported to be put into little packages and then sold back to Albertans?

AN HON. MEMBER:

Buck's got a lot of strawberry jam.

MR. KOZIAK:

So I think we have to look ... that's right, we could call it Dr. Buck's Strawberry Jam, couldn't we.

Mr. Speaker, we then have to look at this and say, there is this source of money available and if we can create an entirely new and global industry that produces food, to its ultimate, I think that this would be a direction that we should go.

Second of course, Mr. Speaker, is shelter. I'm sure that everyone here is cognizant of the rapidly escalating cost of the price of shelter in this province, particularly in the major cities. A house that was purchased six months is selling for 10 per cent, 15 per cent more today than it was six months ago. And we are not seeing the end of this. I think we should take the knowledge of Henry Ford and transpose it into today's set of circumstances in the province of Alberta and say, look, Henry Ford built the car which everybody could afford to buy, can we not do the same with housing, can we not build a house using a mass-production technique which will result in everybody being able to buy a house without the public-housing programs that we are going to be undertaking. Everyone knows that to mass-produce a car, the cost is somewhere in the vicinity of 20 per cent of what it would take if you set about building that same car by hand. Now surely in this day and age, we can't apply the same techniques to house construction so that we can, in fact, construct homes using mass-technology methods at a cost that would be a fraction of the cost we are experiencing today. Now we are seeing the beginnings of that in our mobile home industry, we are seeing the beginnings of that in, well you know, the Alberta-grown industry ATCO in Calgary, which is producing for the world.

Why can we not in Alberta develop a mass housing-construction industry which will produce housing for the world - on a global scale - in the same fashion that Detroit is more or less the centre of mass production of cars. Can we not start something in Alberta? Use this money to an advantage to create a new industry so that if the time comes that oil runs out, which I don't think will happen, but when the time comes that oil is no longer wanted as a source of energy, we will not be in a position in this province where our economy has been built in one direction only, but we will be in a position where we will be able to survive and survive well on an economy that meets the needs of man, and is in demand.

MR. RUSTE:

Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER:

Can the hon. member adjourn the debate?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, before calling it 1:00 o'clock I thought I would outline briefly the business of the House contemplated for early next week.

On Monday afternoon, I would see us first moving to Committee of Supply to move the long motion which sets up the Estimates subcommittees, including the chairmen of those committees, the names of the four committees, the departments which will comprise each of those committees, and the members of them. We would see then, beginning on Monday evening and continuing on Tuesday evening, the Estimates subcommittees following the procedure of last year with the few amendments made in the rules.

The first departments would be the Department of Advanced Education in Subcommittee A, the Department of Agriculture in Subcommittee B, the Department of Culture, Youth and Recreation in Subcommittee C, and the Department of Industry and Commerce in Subcommittee D.

Following completion of that in the Committee of Supply on Monday afternoon, we would be moving to continue second reading of bills on the Order Paper. We would be calling the budget motion, No. 1, again from time to time, but not continuously every day, depending on the degree of interest shown by members. Monday and Tuesday evenings, again, will be subcommittees of the Estimates. The House will not be sitting next Thursday evening by reason of the Alberta Teachers Association invitation which I would urge all hon. members to attend.

MR. SPEAKER:

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

[The House rose at 12:57 o'clock.]